PERCEIVED BARRIERS TO WOMEN’S ASCENSION TO CEO POSITIONS IN KENYA’S LARGEST CORPORATIONS

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East African Multidisciplinary Applied Research Conference (EAMARC3),

15th -17th NOVEMBER 2016
Background to the study

- CEO Position is the apex of leadership in an organisation.
- There is increased gender parity at entry to middle management positions but this drops significantly at higher levels (Huse & Solberg, 2006).
- Clamour for gender parity is also argued by economists as they consider human capital the most attractive form of capital for a country (Kai Joseph, 2007).
- The problem of low number of women in leadership relative to men in corporate organisations is termed as the Glass Ceiling Effect (Huse & Solberg, 2006).
- Glass Ceiling – invisible barrier that prevents women from ascending to top leadership positions (Commission, 1995).
- Is a global problem and seen in many societies, countries and locations.
Justification of the study

- Research has shown that the higher the position the higher the likelihood it is held by a man; and
- There are barriers faced by women do not affect men and women in the same way seem to exist in most societies
- Few studies in Kenya focussing on the Corporate sectors and apex of leadership that is the CEO position
- This study focussed on the CEO position in corporates and in particular, the barriers women face in Kenyan corporations in ascension to CEO position
General Objective

Determine which barriers influence women’s ascension to the CEO position in corporations in Kenya.

Specific Objectives

Determine the extent to which:

- Individual Barriers
- Societal Barriers
- Institutional Barriers
- Governmental Barriers

influence women’s ascension to the CEO position in Kenyan corporations.
Literature Review

- Theoretical Framework Review
  2. Human Capital Theory (Blau, 1976)

- Conceptual Framework
The Glass Ceiling Theory

This study tested the Glass Ceiling Theory which originated from the Federal Glass Ceiling Commission appointed in accordance with the Civil Rights Act in 1995.

- Conditions of the Glass Ceiling:
  1. The situation must recognise a job inequality at the highest levels that cannot be explained by other differences (Cross, 2013)
  2. Must be greater at higher levels (not consistent)
  3. The inequality must reflect inability to progress
  4. Must cover duration of the woman’s career (US Federal Commission, 1995)
Conceptual Framework

**Individual Barriers**
- Attitude
- Confidence
- Professional differences
- Double burden

**Societal Barriers**
- Education
- Cultural Factors
- Sexual harassment
- Sex discrimination

**Institutional Barriers**
- Organisational structures
- Promotion policies
- Succession planning/pipelines
- Networks
- Mentors & role models

**Governmental Barriers**
- Gender related Laws
- Affirmative action

**Ascension to CEO Position**
- Eligibility
- Authority
- Remuneration
- Leadership Styles
Research Methodology

▶ Research Philosophy

1. Positivism – true knowledge is **based on experiences of senses, and emphasises observation, experimenting and reasoning**, as a means of understanding human behaviour (Quinlan, 2011)

2. Feminism – holds that there should be **political, social, sexual and economic equality between men and women** (Stone, 2007).

▶ Research Design

1. Correlational in nature
Sampling Design

**Sampling frame** was the top 50 organisations by LTO while the **sampling unit** were the women holding senior management positions

**Random and purposive sampling** used for 2 samples

**Sample Size**

\[ n = \frac{z^2 \times p(1-p)}{m^2} \]

\[ n = \frac{1.96^2 \times 0.01(1-0.013)}{0.02^2} \]

\[ n = 123.2 \sim 124 \]

- **n** = required sample size
- **z** = confidence level at 95%
- **p** = proportion of women in top management in Kenya
- **m** = margin of error at 2% (standard value of 0.02)
Data Collection Tools

Random and purposive sampling used for 2 samples

- Tools administered
  - 148 item Survey questionnaire with 6 major divisions laid out in order of the research objectives measured using 5 point Likert Scale (116 completed successfully)
  - FGD held with 7 participants
  - 4 Interviews for participants who wished to protect their anonymity and not have discussions with other members

Sampling frame was the top 50 organisations by LTO while the sampling unit were the women holding senior management positions
## Results & Findings

<table>
<thead>
<tr>
<th>Title/Position</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Member</td>
<td>6</td>
<td>5%</td>
</tr>
<tr>
<td>CEO</td>
<td>4</td>
<td>3%</td>
</tr>
<tr>
<td>COO</td>
<td>3</td>
<td>3%</td>
</tr>
<tr>
<td>GM</td>
<td>12</td>
<td>10%</td>
</tr>
<tr>
<td>Regional Manager</td>
<td>8</td>
<td>7%</td>
</tr>
<tr>
<td>HOD</td>
<td>34</td>
<td>30%</td>
</tr>
<tr>
<td>Other</td>
<td>48</td>
<td>42%</td>
</tr>
</tbody>
</table>

Response rate = 94%
Highest proportion of respondents

- Age group 40-49 (39%)
- Management tenure 16-20 years (38%)
- Masters degree (68%)
- Self sponsorship (69%)
- Maternity leave (72%)
- Manufacturing & Financial Services (53%)
- Parental status (83%)
- Children ages 18+ (46%)
- Marital status (59%)
### Regression Modelling of the Effect of Barriers on CEO Position

<table>
<thead>
<tr>
<th></th>
<th>$R^2$</th>
<th>$F$</th>
<th>$P$-value</th>
<th>Predictor</th>
<th>Alternative hypothesis accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual barriers</td>
<td>.345</td>
<td>(1, 43) = 22.123</td>
<td>$p &lt; .001$</td>
<td>1) Professional differences</td>
<td>Yes</td>
</tr>
<tr>
<td>Societal barriers</td>
<td>.244</td>
<td>(2, 98) = 15.452</td>
<td>$p &lt; .001$</td>
<td>1) Cultural factors 2) Sex discrimination</td>
<td>Yes</td>
</tr>
<tr>
<td>Institutional barriers</td>
<td>.208</td>
<td>(2, 100) = 12.7096</td>
<td>$p &lt; .001$</td>
<td>1) Promotion criteria 2) Professional networks</td>
<td>Yes</td>
</tr>
<tr>
<td>Government barriers</td>
<td>.206</td>
<td>(2, 105) = 13.390</td>
<td>$p &lt; .001$</td>
<td>1) Gender laws 2) Affirmative action</td>
<td>Yes</td>
</tr>
</tbody>
</table>
The Composite Model: Effects of Individual, Societal, Institutional and Governmental Barriers on Women’s Ascension to CEO Positions

Results of the regression model of the composite effects show that:

- **Two predictors** explained 47.5% of the variance (R.Sq = .475, $F(2,39) = 16.749, p<.001$

- **Institutional** barriers significantly predicted women’s ascension to CEO position ($\beta = .177, p<.01$)

- **Individual** barriers significantly predicted women’s ascension to CEO position ($\beta = .299, p<.01$)
Model 1 of the Glass Ceiling Phenomenon

Individual Barriers (INDVB)

Societal Barriers (SOCB)

Institutional Barriers (INSTB)

Governmental Barriers (GOVB)

Ascension to CEO (ASCEO)

Path analysis was used to assess the fit between the data and the hypothesized model.
### Goodness of Fit Indices for Model 1

<table>
<thead>
<tr>
<th>$\chi^2$</th>
<th>$X^2/df$</th>
<th>p-value</th>
<th>RMSEA</th>
<th>NNFI</th>
<th>CFI</th>
<th>SRMR</th>
<th>AGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good fit: $0\leq df\leq 2df$</td>
<td>Good fit: $0\leq \chi^2/df\leq 2$</td>
<td>Good fit: $0.05&lt;p&lt;1.0$</td>
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</tr>
<tr>
<td>Acceptable fit: $2\leq \chi^2/df\leq 3$</td>
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<td>Acceptable fit: $0.01&lt;p&lt;0.05$</td>
<td>Acceptable fit: $0.05 &lt; \chi^2/df &lt; 0.05$</td>
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</tr>
<tr>
<td><strong>23.529</strong></td>
<td>5.75</td>
<td>0.0001</td>
<td>0.207</td>
<td>0.524</td>
<td>0.504</td>
<td>0.110</td>
<td>0.738</td>
</tr>
</tbody>
</table>

** Good fit * Acceptable fit
Model 2 of the Glass Ceiling Phenomenon using Path Analysis

Exogenous variables

- Governmental Barriers (GOVB)
- Societal Barriers (SOCB)

Endogenous variables

- Institutional Barriers (INSTB)
- Individual Barriers (INDVB)
- Ascension to CEO (ASCEO)

Institutional and Individual barriers acted as mediating or moderating variables
Final model had 2 exogenous and 3 endogenous variables
### Goodness of Fit Indices for Model 2

<table>
<thead>
<tr>
<th>$\chi^2$</th>
<th>$\chi^2$/df</th>
<th>p-value</th>
<th>RMSEA</th>
<th>NNFI</th>
<th>CFI</th>
<th>SRMR</th>
<th>AGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Good fit: $0 \leq \chi^2$/df $\leq 2$</strong></td>
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<td>Good fit: $0.05 &lt; p &lt; 1.0$</td>
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</tr>
<tr>
<td><strong>Acceptable fit: $2 \leq \chi^2$/df $\leq 3$</strong></td>
<td>Acceptable fit: $0.01 &lt; p &lt; 0.05$</td>
<td>Acceptable fit: $0.01 &lt; p &lt; 0.05$</td>
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</tr>
</tbody>
</table>

| 5.773 | 1.4** | 0.32 | 0.0368** | 0.961** | 0.980** | 0.0544* | 0.941* |

**Good fit * Acceptable fit**
Conclusions & Recommendations

- Discussions of Results
- Major Conclusions
- Major Recommendations
- Suggestions for Further Research
Key Findings

Individual Barriers

Double burden not as significant impediment

Spousal support critical

Had very solid support arrangements including reliance on domestic workers, extended family, technology (significant advantage over women in the West)

BUT Overall, given a choice between work and family majority chose FAMILY

Societal Barriers

Education provided a platform to get onto the leadership pipeline but not ascension of the pipeline (Girl child initiatives)

Broader range of skills needed for ascension (experience, sponsorship, networking, mentoring)

Got a lot of their confidence from education/professional qualifications

Accepted that society associated good leadership with masculinity
## Key findings (2)

<table>
<thead>
<tr>
<th>Institutional Barriers</th>
<th>Governmental Barriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority worked in male dominated environments</td>
<td>Data not published for corporates</td>
</tr>
<tr>
<td>Were well respected and adequate authority to discharge their duties. Commanded same level of decision making authority</td>
<td>Enforcement of laws wanting</td>
</tr>
<tr>
<td>Attrition for women in the earlier years was offered as an explanation for fewer women.</td>
<td>Laws not compulsory for corporates</td>
</tr>
<tr>
<td>Confessed to a lack of transparency on remuneration at top levels</td>
<td>Mixed views on affirmative action between CEOs and others</td>
</tr>
<tr>
<td>Few had mechanisms for fast tracking women with leadership talent</td>
<td></td>
</tr>
<tr>
<td>Didn’t mind male role models</td>
<td></td>
</tr>
</tbody>
</table>
Key recommendations

**PROFESSIONAL WOMEN**
1. Be bold in articulation plans to become CEO and act accordingly
2. Act as role models to aspiring women managers, graduates etc.
3. Choice of spouse significant
4. Gender based leadership development programs critical

**POLICY MAKERS**
1. Create initiatives, movements, join declarations, awareness
2. Focus on the girl child to be extended to focus on the working woman
4. Affirmative action
Key recommendations (2)

- CORPORATE ORGANISATIONS
  1. Institutions must get a real picture and assess existing structures as barriers.
  3. Talent management and enhancement through training, and development programs.
  4. Professional differences
Suggestions for Further Research

- Study which also takes into account the views of men
- Study with a larger sample size covering the wider population including NGOs and other areas where women excel
- Study of additional barriers unearthed e.g. impact of tribalism & corruption
- A study on choices made during formative years of young girls/women
- A nationwide survey similar to the GC Commission to elucidate the other factors that influence ascension to CEO
Thank you