Hiring Woman As Leader In An Organization A Risk?: A Case of Malaysian Takaful Company

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Abstract

The main purpose of this paper is to examine the relationship of commitment, management, attitude and risk of hiring women as a leader. This empirical study focuses on Malaysian Takaful Companies. The study utilized a survey approach which involved 150 respondents. The sample for this study was drawn from urban population in Klang Valley. Findings showed that all factors have no significant relationship with the hiring of women. Future studies could include other factors such as cultural, economic circumstances, learning, media and information system as independent variables. The study has provided a basis understanding on women credibility of Malaysian Takaful companies. The findings of this paper also have several implications, which would undoubtedly benefits the Takaful companies to bring innovation management into the organization while at the same time making them to realize the equal potential of workers in Malaysian Takaful companies.

Keywords: Commitment; management; and attitude.

1. Introduction

The purpose of this research is to analyze the relationship risk factors and women in the leadership positions. The study will introduce about the meaning of leader, especially in an organization and also would be able to identify the challenges and risks that were faced by women who act as a leader which obviously would differ from male. Women's today are more intelligent than man which can be seen in the universities and also in many big companies. Women are more talented in handling some complicated tasks and usually are multi-tasking. Women's today are not like women in an ancient time which only depends on men only. Now, women can make their own decision without any help from men.

Leadership today has always been associated with the power, money, and status of the position and also descendent which contribute to the title of leadership that someone is holding. The power that they have will dominate a group which is smaller than them. But, today, this power is fast disappearing. Now, we are more confident and ready to move by the power of brilliant ideas, innovations and creativity. The awkward fact about the good ideas is that no one can monopolize them.

In the modern era of workplace, leaders always fronted with the organizational challenges in many aspects. In determining how leadership would affects the performance of organizations, among the issues that must be considered is the gender since it is a common element being used in contributing to the effectiveness of leadership in the organizations. If gender has been identified as a main element of leadership, then it should be able to answer what is the bearing that gender exhibits in evaluating the effectiveness of an individual leader? It seems obvious that males and females will communicate in different manner whether in both, inside or outside the workplace. Given the fact that, the globalization era of today's world, instant access to information, and also advanced communication services and products has possibly changed the path of how we conduct the business. These changes may help to overcome any possibility of gap in the communication style and most importantly is to build good communication between men and women at the workplace.

1.1. Problem statements

With the increase of women participating in senior management, not all employees at every level in the organization could accept the reality of the position being monopolized by women. It is difficult for them to accept the reality that their leaders are women. At present, we can see almost all private sector tends to prefer women as their chief to lead the organization. The important thing is we need to find out whether there are significant risks faced by the organization itself or not when they decide to take women as a leader because of the differentiation between women and men where women were much more concerned.

This study is focusing more on the risk of hiring a female as a leader in an organization where we would examine the differences between women and men in terms of leadership as well as investigating whether the independent variables are related to the dependent variable or not.

1.2. Research objectives

The aim of this study is to analyze the relationship of three key variables, namely, commitment, management and attitude towards risk faced by organizations when hiring woman as a leader.

1.3. Research questions

There are three research questions of this study, such as:
  i.   What is the relationship between commitment and the risks faced by organizations when women hiring women as a leader.
  ii.   What is the relationship between management in an organisation and the risks faced by organizations when women hiring women as a leader.
  iii.   What is the relationship between attitude and the risks faced by organizations when women hiring women as a leader.

1.4. Hypothesis

H_1 : There is a significant relationship between commitment and risk faced by an organizational when hiring women as a leader.
H_2 :There is a significant relationship between management in an organization and risk faced when hiring women as a leader.

H_3 :There is a significant relationship between attitude of leader and risk faced by an organization when hiring women as a leader.

1.5. Definition of term

Gender: When focuses on gender, the aim is to identify and highlighting the differences between man women (*Jayne & Dipboye, 2004*). Gender's definition is refer to a culture's social structure that make up the comparison between the sexes. This included different attitude, behaviors between women and men and how they are expected to control it (*DeMatteo, Eby, and Subdstrom, 1998; Northouse, 2004*).

Leadership: According to Capezio and Morehouse (1997) leadership can be defined as the ability to influence individuals, group to think and to take the action in order to achieve an objectives.

Organizational Structure: refers to those which employee perceives, and hope that perception creates a pattern of beliefs, values, and expectations (Schein, 1990).

2. Literature Reviews

Leadership is a science and an art which is creative, propelling and discipline, Capazio and Morehouse (1997) Leadership underlines relationship at work and in the organizations and involves the acceptance of the responsibilities. Adler (2000) felt that in view of changes in leadership roles and organizational practices female leaders have come to symbolize a new type of leadership that connotes greater effectiveness and synergy than leadership past. Many female executive think that they must to achieve the highest standards of performance than the males. Women nowadays tend to have more strength and fewer faults than male in order for them to achieve the highest level.In addition, Dess and Picken (2000) wrote that in order to survive, the corporation should know the boundaries. The 21st century is here and the organizational leaders will face a whole new set of managerial problems: the globalization of the marketplace, the rapid changes of information and communication and the scarcity of the world's natural resources.Dess and Picken (2000) further states that an organization will need a strategic vision, explicit or implicit and effectively employed, a clear future direction, and a framework for the organization's mission and goals. The job of leadership is to give meaning, not just to make money.
Lapp (1999) stated that successful leaders can reduce complex ideas into simple massages, such as they communicate using symbols, analogies and acts as storytellers to help the employees to understand the information or message conveyed. In order to see another person's perspective on certain issues, they must be able to express empathy and possess high level of understanding towards conflicts among workers. Women have the special advantages of having fresh ideas in seeing the way out on issues and able to identify new solution to old problems.

2.1 Commitment

Another significant difference that was identified is the way the women and men being recognized with their commitment in jobs. Male think that their own identities are being complex and multifaceted and difficult to share the information. The female executives, however, regularly schedule their time for sharing information (Fairholm, 2004). Nowadays, women tend to lead from the center of an organization rather than from a top of the command hierarchy.Accordingly, Billing and Alvesson (2000) found that organizational life, information, and expertise have often being perceived to be the sources of organizational power. Female leaders tend to be more educational in nature as a leaders, making commitment to share about the information, so that, the others will become more effective as organizational participants and leaders.

Lots of women become justifiably frustrated from the belief that a double standard exists for men and women were related to the key business leaders (Callas & Smircich, 1999). Leadership behaviors that may be praised and rewarded in males may be ignored when exhibited by females. For examples, leadership would be described as assertive when exhibited by men and may be described as too aggressive when exhibited by women.

However, women with a wedding band may be perceived as having potential for high rates of absenteeism. This is because of the pregnancies or other child-related responsibilities, and short employment tenure related to the possible employment relocation of the spouse. While male leaders may be characterized as a detail-oriented that may exhibit the same behaviors as women leaders characterized as obsessive. Where male leaders may be seen sensitive and female leaders characterized as overly emotional.

2.2 Attitude of Leader

On the other hand, there are some notable advantages for women in educational leadership positions. Many female head teachers (the British equivalent of principals) felt that because "they did not fit the stereotypical male mold", they had more freedom in the leadership behaviors they choose to adopt and "They did not have to operate within the dominant discourse of male leadership" (Coleman, 2003). Bass (1990) found that subordinates are more likely to describe female leaders as charismatic, and that female leader are more inclined to temper any criticism they gave with positive feedback.(Dana and Bourisaw, 2006) have attempted to characterize a specific female leadership style, identifying preferred collaborative practice, instructional focus and a transformational approach. The findings suggested that many women also fail to support other women in that such positions.

2.3 Organization Management

Clark (2005) determined that there has been a two-fold increase in the number of women in corporate leadership positions in the past ten years; however, many women are leaving large companies to start their own business. With labor shortages worsening, women leaders are becoming more important to employers (Hewlett, 2008). Individuals in leadership positions are often unaffected by issues of race or gender as long as they are part of the dominant social group (Ruderman & Munusamy, 2007).It is generally assumed women lead differently from men, yet women's effectiveness is measured in traditional ways (Klein, 2009). Bradford (2008) observed the transformational style is the most effective leadership model. These leaders mentor their followers by encouraging self-development and providing increased responsibility within the organization (Bradford, 2008). Accordingly, study by Toland (2006) evidenced that, because of a mentor's presence, women rose to executive management positions within the organization at faster rates. Additionally, these women reached higher levels of management quicker, earned more money and successfully built career networks (Toland, 2006).

3. Methodology

3.1 Data Collection Method

The methods that were involved are acquiring primary data and secondary data and questionnaire. These data were collected from internal and external sources. Primary data is referring to the information that was obtained in the firsthand manner. The method used in collecting the data is survey questionnaire. It is an efficient data collection method when the researcher knows what is required and how to measure these variables. There are about 150 respondents were involved in the survey. On the other hand, secondary data is used as an additional information for the researcher. Example of several types of secondary data

such as articles and Journals which was extracted from PROQUEST and Internet information because it can be the easiest and fastest way of data collection. In this drastic changes of technology and a vast global networking era, information are available easily and can be accessed just a click away and everything is at our finger tips.

3.2 Sampling Technique

Sampling is the process of selecting a sufficient number of elements from the population. Sampling is needed in order to collect data. By studying the sampling, it will be more reliable, reduce fatigue and also will reduce the number of mistakes. The method of sampling that will be use is probability sampling. Probability sampling is when all the elements in the population have equal chance to select as a sample. So, 150 respondents will be selected randomly in order to answer the questionnaire.

3.3 Hypotheses Testing

Testing the hypotheses is important for confirming the significant relationships and it is expected that solutions can be found to correct the problem that will be encountered. The theoretical framework earlier noticed the relationship among the independent variable (commitment, management of organization and attitude of leader) and dependent variable (risk faced when hiring women as a leader). The aim is to know whether all the independent variables have positive relationship with the dependent variable.

4. **Analysis of Data and Finding**

A questionnaire is developed in order to obtain the information from the respondent. 150 sets of questionnaire were distributed to be analyzed. The questionnaires are divided into 5 sections which are A, B, C, D and E. Section A consist of 6 questions related to the demographic profiles of the respondents which are consists of employees in several Malaysian Takaful companies.

Section B consists of 15 questions relating to commitment their leader toward her work. Section C consists of 14 questions relating to the management of organization during her as a leader and section D consists of 14 questions relating to attitude of leader itself towards on her performance at organization. The researcher using the multiple regressions in order to get the significant relationship between all the variables as well as between the independent variables and dependent variables. The multiple regressions is including model summary, Annova and Coefficient of the relationship.

- *Section A: Demographic Profile*

According to the question distributed, the result shows all the 150 respondents are Malay. According to this question, the majority of the researcher respondents are female. It shows 62% higher than male which shows 38%. The question for education level will include, certificate, diploma, degree, and master level. From the result, it shows that the researcher's respondent more incline to degree compared to other. This question regarding to the respondent's position in department. The result shows that 44% respondent coming from executive title. This question investigate about the period that the respondent working in Takaful industry. This shows that most of the respondents have 5-6 years working experience.

- *Section B:*

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.231[a]	.053	-.082	2.356

a. Predictor : (Constant), AL, MO, COM
b. Dependent Variable : RT

R is coefficient of correlation where it able to measures the degree of association between the dependent and independent variables. The value coefficient of correlation (R) denoted by R range; from -1 to +1, no matter what the unit X and Y is. The range indicates the direct relationship between variables. From table above, the value of R for model 1 is 0.053. The value of R-Square of .053 explain that only 5.3% of combination score of attitude, management and commitment can be attributed to the risk of hiring women as a leader.

ANOVA [b]

Model	Sum of Square	df	Mean Square	F	Sig.
	6.577	3	2.192	.395	.758[a]
Residual	116.633	21	5.554		
Total	123.201	24			

The test statistics for ANOVA is the F-statistic test which analayse the variance. F-statistics is used to test various statistical hypotheses about the mean of distributions from which a sample or set of sample has been drawn. F-test measures how well a linear model fits a set of data to know the significant effect between the independent and dependent variables. In addition, F-stat is also used to test null hypothesis on all response coeeficient by tying together a few loose ends on the relationship between t-test and f-test. From the result of table above, it shows that there is no relationship between all the three independents variables (attitude, management and commitment) with the dependent variable at significant level p ≤ 0.5. Therefore null hypothesis is accepted at 5 percent significant level.

Coefficients[a]

Model	Unstandardized	Coefficients	Standardized Coefficient		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	17.729	8.011		2.213	.038
COM	-.347	.440	-.220	-.789	.439
MO	.045	.508	.023	.088	.930
AL	.055	.285	.045	.194	.848

This coefficient[a] table shows that commitment, management of organization and attitude of leader did not have positive relationship with the risk. The T-test above shows negative sign. Thus, there is no significant relationship. The positive relationship in T-test can be shown if the significant 0.000.

5. Conclusion

To put it in a nut shell, the researcher can conclude that Malaysian Takaful companies did not have any risk when they decided to hire women as a leader in their company. In addition, from the multiple regressions, there is also no significant relationship between all the independent variables and dependent variable. Last but not least, there is totally no practical difference between men and women. As a human which have variety of choices, they also have their own style and attitude towards their works.

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