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Do Strategies That Organizations Use to Promote Gender Diversity **Make A Difference**?

Division of Member Services, Research
American College of Healthcare Executives

CEO

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Abstract

Attracting, retaining and developing qualified women executives is vital to the success of healthcare organizations. In 2012, the American College of Healthcare Executives conducted a survey of 806 female and male healthcare executives to examine the impact of 28 pro-diversity initiatives on women executives' views about (1) gender equity in their organizations, (2) satisfaction with their current positions and (3) their plans to remain with their organizations within the coming year. Establishing a zero tolerance policy for sexual harassment, assuring representation of women on boards and key committees, promoting mentorship and providing flexible start and end times for the work day were some of the initiatives that positively impacted women executives' views of their workplace.

Introduction and Overview

Do healthcare organizations still have to work at achieving gender diversity? The answer is yes. In spite of enormous strides made over the past four decades, a recent ACHE study showed that, among a random sample of women and men healthcare executives, women had attained CEO positions at half the rate of men (ACHE, 2013). Using data from both the American Hospital Association and ACHE, ACHE computed in 2013 that approximately 26 percent of CEOs overseeing U.S. hospitals are women, despite the fact that women make up more than half of the U.S. population (U.S. Bureau of Labor Statistics, 2013) and 75 percent of the healthcare workforce (Hoss, Bobrowski, McDonagh, & Paris, 2011). Further, in 2011, women healthcare managers who participated in ACHE's study earned approximately 20 percent less than their male counterparts, despite having approximately the same experience and education. Moreover, female respondents were less satisfied with the job opportunities in their organizations than male respondents by a significant margin.

Hiring and retaining talented women executives is vital to the success of healthcare organizations. As healthcare organizations grow larger and more complex, the demand for capable executives is increasing. Women make up half the labor pool; this proportion is expected to increase as they are obtaining baccalaureate and post-baccalaureate degrees at a higher rate than men (Hoss et al., 2011). Further, women tend to leadership styles that are well-suited to enhance the success of their healthcare organizations. Studies have shown that women predominantly employ a transformational leadership style that relies on gaining followers' trust and confidence. This leadership style cultivates an empowered workforce and is a good fit to the modern organization (Eagly & Carli, 2007). Further, women executives enhance the organization's ability to serve their female stakeholders, including patients. The business case for hiring, retaining and developing female executives is discussed more fully on pages 14–15.

As leaders strive to make their workplaces attractive to women executives, it is important to understand that it is not just an issue of glass ceilings. The notion of an impenetrable glass ceiling at only the very top is insufficient to explain women's actual experience in the workplace. Women face challenges at varying stages of their career that keep them from attaining executive positions (Eagly & Carli, 2007). It is not simply one barrier at the very top, but rather a myriad of obstacles at many

junctures. To promote gender diversity and help ensure a pool of qualified women candidates for the most senior positions, healthcare organizations need to look not only at policies affecting the promotion of women to the C-suite or the top leadership positions, but also at policies affecting the development and retention of female executives at every level.

While gender disparities in the workplace result from a complex array of social issues, healthcare organizations can improve their ability to attract and retain qualified women executives. Beginning in 1990, and subsequently in 1995, 2000 and 2006, ACHE conducted research to compare the career attainments of men and women healthcare executives. The most recent survey was distributed in the summer of 2012 to a sample of ACHE members with 5 to 20 years' experience in healthcare management. In addition to comparing the career attainments of women and men, the research offered an opportunity to examine if pro-diversity initiatives undertaken by organizations impact job-related attitudes of women healthcare executives.

The 2012 survey showed that, according to respondents' reports, many healthcare organizations offer policies and programs directed at achieving greater diversity at top management levels. These policies and programs are similar to those that were in place at the time of the 2006 survey. These efforts include processes related to (1) structuring decision-making groups to include women, (2) advancement, (3) offering rewards to those who help redress the gender imbalances in top management, (4) recruitment, (5) providing flexible work arrangements and (6) helping executives accommodate the needs of their families. Finally, the survey assessed (7) general policies that encourage promotion from within the organization, tie pro-diversity initiatives to business objectives and express zero tolerance for sexual harassment. In the paragraphs that follow we examine the rationale for, prevalence (as reported by survey respondents) and impact of these seven broad strategies to promote gender diversity in healthcare organizations.

Findings: The Impact of Organizational Strategies

1. New structural arrangements (gender integration on committees, boards)

Rationale: If organizations are to be sustainable, they have to be as diverse as the stakeholders that they serve (Committee for Economic Development, 2012). This includes having substantial and effective female representation on key committees and boards. Ensuring significant female representation on boards and committees alleviates the problems associated with tokenism, which is having only one or two women as a gesture of inclusion. When women are present in significant numbers on boards, they can act with respect to their individual competencies, not just from the perspective of the token female (Eagly & Carly, 2007).

Prevalence: Two questions were asked on ACHE's 2012 survey to investigate the prevalence and impact of initiatives to ensure women's representation on the organization's board and key committees. The findings showed that 40 percent of the respondents' organizations attempted to ensure that women are represented on key committees and 38 percent indicated that women were sought out to be on the board. These are roughly equivalent to the findings in 2006, when these proportions were 44 and 45 percent, respectively.

Impact: Seeking women for key committee and board positions were among the most effective strategies contributing to women executives perceiving gender equity in their workplace. Figure 1 contains a list of initiatives that positively impacted women executives' perception of gender equity in their organizations. The top portion of the table lists the most effective strategies contributing to women's perception of gender equity, and the lower portion of the table contains other strategies that significantly improved women's feelings about

gender fairness according to the study data. The figure shows that 88 percent of women perceived gender equity in organizations with initiatives to ensure women's representation on key committees as opposed to 50 percent in organizations that do not. Similarly, 85 percent of women perceived gender equity in organizations with initiatives to ensure women's representation on their board as opposed to 49 percent in organizations that do not.

Having women represented on key committees and boards also contributes to job satisfaction among women executives. Figure 2 lists the initiatives that contributed to women executives feeling very satisfied with their job, according to the study findings, with the most effective strategies listed at the top. The figure shows that in organizations where women are represented on the board, 51 percent of women report being very satisfied with their positions as opposed to 28 percent in organizations where this is not the case. These proportions are very similar for organizations that seek women for key committee positions compared to those that do not (50 percent and 28 percent, respectively). In addition, Figure 3 shows that 76 percent of women in organizations that seek women for the board are intending to stay with their employer in the coming year, as opposed to 53 percent of women who intend to remain with employers that do not ensure female representation on the board. These proportions are very similar for organizations that require women be represented on key committees (76 percent and 55 percent, respectively).

Implications for CEOs: Similar to other types of organizations (CED, 2012) there is a growing movement in healthcare organizations for governing bodies to better represent the populations they serve to give a voice to underrepresented groups of employees, volunteers and patients, and address potential care disparities. In addition to incurring these benefits, ensuring representation of women on key committees and the board will increase both the job satisfaction and perception of organizational

gender equity among women executives. Such initiatives require little or no financial outlay.

2. Advancement initiatives (includes formal mentors in the organization)

Rationale: Women, like men, need to be afforded opportunities to develop their leadership skillsets in order to be considered for senior-level executive positions. Preparing women for management positions through developmental job experiences (Eagly & Carly, 2007) and offering leadership development programs (Hoss et al., 2011) have been suggested as effective advancement strategies to promote gender diversity. Women also benefit from strong mentoring relationships and access to powerful networks (Eagly & Carly, 2007).

Prevalence: We examined six separate advancement initiatives. Prevalence of these programs is similar to that in 2006. Some, such as offering career development programs, are quite common; others, such as setting targets for promoting women, are rare. Following are the specific findings regarding prevalence of these programs: (1) offering career development programs (implemented by 48 percent, slightly lower than in 2006 when this figure was 57 percent); (2) publicizing skill and knowledge criteria for advancement (39 percent); (3) offering courses that target former clinicians and teach principles of healthcare management (24 percent); (4) implementing formal mentoring programs to develop senior level executives (21 percent); (5) providing rotations to develop senior level executives (13 percent); and (6) setting targets for promoting women (5 percent).

Impact: Of the six initiatives that might advance women's careers, publicizing the skill and knowledge criteria for advancement was very likely to positively impact women's propensity to remain with their organizations. Figure 3 shows that in organizations where advancement criteria were transparent, 80 percent of women felt it was likely they would stay with their organization as opposed to 56

percent in organizations without such widely understood advancement guidelines. Having well-publicized advancement criteria also positively impacted women's overall job satisfaction (Figure 2) and perception of gender equity in their organization (Figure 1), although to a lesser degree. Setting targets for promoting women managers or executives was also effective in improving women's perceptions of gender equity in the organization (Figure 1). Ninety-four percent of women perceive gender equity in organizations with such promotion targets as opposed to 63 percent in organizations without them. However, since reports of such programs were rare in the study (only five percent of women responding to the survey worked in organizations with such a policy), this finding should be interpreted with caution.

Figures 1, 2 and 3 show that a number of other advancement initiatives significantly improved women's feelings about their organizations. Offering career development programs positively impacted women's perceptions of the organization's gender equity, their estimated likelihood to stay with the organization and their overall satisfaction with their position. Women's overall job satisfaction and likelihood to remain with their organizations were also improved by the presence of training programs to teach principles of healthcare management targeted to former clinicians. Interestingly, the presence of these training courses also positively impacted men's perceptions of organizational gender equity (data not shown). Perception of gender equity among women and their propensity to remain with their current organization were also positively impacted by the provision of rotations to develop senior level executives. Finally, women had more positive impressions of gender equity in organizations that provide formal mentoring programs to develop senior-level executives.

Implications for CEOs: Publicizing skill and knowledge criteria appears to contribute strongly to women executives' intentions to remain with their organization. This can be

accomplished with little or no financial outlay, along with establishing rotations and implementing formal mentoring programs. Offering career development programs and management courses for former clinicians, which foster women's job satisfaction, perceptions of organizational gender equity and intentions to remain with their current organizations can also be accomplished with relatively moderate expense.

3. Reward systems designed to encourage managers to effectively manage diversity

Rationale: Accountability is essential for ensuring excellence in any area of management, including diversity management. This may take the form of setting mentoring goals for senior executives, measuring managers' performance by how well female employees are faring under them (Cabrera, 2009) or assuring senior leadership and board attention on the track record of their organization for gender and racial/ethnic diversity (Hoss et al., 2011). An executive task force comprised of almost 200 top leaders from government, business and academia recommended that organizations set targets for the advancement of women to senior management positions and use metrics and score cards to ensure accountability (Hoss et al., 2011). The goal is to make pro-diversity initiatives measurable so success can be readily assessed by the number of women on management tracks or in management positions.

Prevalence: Overall, the initiatives directed toward encouraging managers to effectively manage and promote diversity considered in the study were not very prevalent. The most common of these, board (or corporate official) review of their organization's track record on promoting gender and racial/ethnic equity in the workplace, was reported by 20 percent of survey respondents to be in place in their organizations. Fifteen percent of survey respondents said that senior executives were evaluated on mentoring and 9 percent reported that senior executives were encouraged to mentor women.

Impact: In spite of its low prevalence among employers of survey respondents, encouraging senior executives to mentor women had a significant impact on women's feelings about their organization. Figure 1 shows that 91 percent of women in organizations where mentoring of female executives was encouraged felt there was gender equity in the workplace as opposed to 61 percent in organizations where it was not. Figure 2 shows that 68 percent of women were very satisfied with their jobs in organizations that encouraged their leaders to mentor women, as opposed to 37 percent in organizations that did not do so. Figure 3 shows that 84 percent of women intended to remain with a current employer that encouraged senior mentorship of women executives, as opposed to 61 percent in organizations that do not.

Holding senior executives accountable for mentoring activities also led to higher job satisfaction for women, fostered their intention of staying with their current employer and made it more likely that they perceived gender equity in their workplace. Figure 2 shows that 53 percent of women respondents were highly satisfied with their jobs in organizations where senior executives were evaluated in part on mentoring, as opposed to 36 percent in organizations where this was not the case. Figure 3 shows that 84 percent of women intended to stay with an employer where senior executives were evaluated as mentors as opposed to 59 percent in organizations that do not hold their leaders accountable in this area. Figure 1 shows that 80 percent of women working for organizations evaluating mentorship perceive gender equity in their workplaces, as opposed to 63 percent in organizations that do not do so.

Knowing that the board or corporate officials review the organization's track record in promoting gender and racial/ethnic equity in the workplace highly influenced women's job satisfaction. Figure 2 shows that 57 percent of women in the study were very satisfied with their jobs with current employers who reviewed

the organization's performance in this area, as opposed to 36 percent in organizations that did not. In addition, Figure 1 shows that 86 percent of women felt their workplace was equitable with respect to gender when the organization's track record in diversity was reviewed, as opposed to 58 percent in organizations where this is not done. Figure 3 shows that 79 percent of women were likely to stay with organizations who review their performance with respect to gender and racial/ethnic diversity, as opposed to 61 percent in organizations that do not.

Implications for CEOs: The main finding from examination of this group of initiatives is that CEOs can do much to improve women's attitudes toward their organizations by encouraging mentorship of female executives and evaluating senior managers on their performance mentoring staff. Further, having the board or senior corporate officials evaluate their organization with respect to gender and racial/ethnic equity contributes significantly to job satisfaction among women executives. Such programs can be incorporated into organizations with little or no financial outlay.

4. Recruiting initiatives

Rationale: Changing how organizations recruit female employees at all levels is at the very core of improving gender diversity. An executive task force comprised of almost 200 top leaders recommended setting targets for hiring and advancing women as a means of ensuring women's representation in organizations (Hoss et al., 2011). Setting targets for hiring women managers and executives, requiring that women be on the short lists for senior management positions and formal succession planning are all mechanisms to help organizations leverage the skills and knowledge that women bring to healthcare management and help ensure that there is a pool of qualified female candidates for more senior positions.

Prevalence: Do healthcare organizations attempt to manage gender diversity at the management and executive levels through targeted recruiting? Similar to the findings in 2006, ACHE research shows that about 7 percent of respondents' organizations set targets for hiring women as managers or executives and 4 percent stated that women candidates were required to be on short lists for senior level executive positions. However, a larger proportion – 28 percent – indicated that formal succession planning was implemented in their organizations.

Impact: Setting targets for hiring women managers or executives was not a widely adopted strategy and did not have a major impact on women's overall satisfaction or intentions to remain in their organizations, but it did influence their perception of organizational gender equity. Figure 1 shows that 86 percent of women in the study who worked for organizations where hiring targets were set for women managers or executives felt there was gender equity in their workplace, as opposed to 63 percent of women in organizations without this policy.

Only 4 percent of respondents reported that women candidates are required to be on short lists for senior management positions. No statistical association was found between these policies and women's perceptions of gender equity, overall job satisfaction or expected likelihood of remaining with the organization. This may be due to the small proportion of respondents reporting that these policies are implemented in their workplace.

Formal succession planning, which is present in 28 percent of respondents' organizations, appears to impact overall job satisfaction for women. Of women respondents in organizations where formal succession planning is implemented, 51 percent stated they were very satisfied with their positions, whereas 35 percent were very satisfied in organizations without succession planning (Figure 2). Succession

planning also had a significant positive effect with regard to women's intentions to remain with their current employer (Figure 3) and their perception of gender equity in their workplace (Figure 1). Succession planning also had a positive impact on men's feelings about their organizations in these three areas (data not shown).

Implications for CEOs: Based on this research, CEOs are well-advised to institute succession planning in their organizations. Not only will this initiative enhance the organization's functions when key executives leave (ACHE, 2011) but it is likely to have positive impacts on job satisfaction, retention and perceptions of gender equity for both female and male employees.

5. Forms of Flexibility

Rationale: Given that women healthcare executives continue to disproportionately shoulder household and family responsibilities (ACHE, 2013), one of the most important features that many women seek in the workplace is increased flexibility. Offering flexible arrival and departure times, telecommuting options, reduced or part-time hours or leaves and sabbaticals without penalization are all potentially effective strategies for retaining female talent (Cabrera, 2009).

Prevalence: The most common type of workday flexibility offered by organizations was flexibility in arrival and departure times. Eighty-five percent of study participants said this benefit was available in their organizations. Almost half of organizations offered leaves and sabbaticals (48 percent), telecommuting or working from home (47 percent) and reduced work schedules or part-time work (41 percent). An unusual and unexplained finding from the 2012 study is that 50 percent of men, as opposed to 33 percent of women, reported that their workplace offered reduced hours or part-time work. Although it is possible that there

were some differences in the types of employers between male and female respondents to the survey that we were unable to detect in our data, it seems more likely that this discrepancy is due to differing perceptions on the part of men and women. Organizations offering a compressed work week were reported by 29 percent of respondents, and those offering job sharing were reported by 22 percent of survey participants.

Impact: As shown in Figure 3, the offer of flexible arrival and departure times had a large impact on women's intent to stay with their current organization in the coming year. In organizations offering this benefit, 70 percent of women in the survey were intending to remain with their employer. In organizations without this benefit, 46 percent expressed their intent to stay. Flexible arrival and departure times also positively impacted women's perception of gender equity in the organization (Figure 1) and job satisfaction (Figure 2).

As Figures 1, 2 and 3 show, offering leaves and sabbaticals also had a positive impact on women's job satisfaction, loyalty to the organization and their perception of gender equity on the job. Their job satisfaction and perception of gender equity were also positively influenced by the offering of reduced or part-time work schedules. A compressed work week also increased women's job satisfaction. Interestingly, the existence of job sharing programs increased the overall job satisfaction and propensity to stay in their current job for men in the study, but not women (data not shown).

Implications for CEOs: Offering flexible work arrangements such as flexible start and end times for the workday, leaves and sabbaticals, reduced or part-time work schedules and a compressed work week are attractive to women executives, most often improving their job satisfaction and, in some cases, their propensity to stay with the organization and their perceptions of workplace gender equity.

6. Work/life programs

Rationale: Organizations that respect the demands of family life by offering formal support programs are better able to retain their talented female employees. Data suggest that onsite childcare and backup or emergency childcare can reduce absenteeism and ultimately translate to cost reduction for organizations, accounting for initial investment (Cabrera, 2009). Programs for eldercare support may be similarly effective. U.S. employers lose an estimated $29 billion in decreased productivity due to employees taking time off to care for elderly family members (Cabrera, 2009).

Prevalence: Results from the 2012 survey of healthcare executives show that, according to the survey respondents, a minority of organizations offer work/life programs and services. Following are the findings of the percent of organizations offering the five initiatives examined: (1) child care sources and referral (30 percent), (2) eldercare sources and referral (24 percent), (3) sick child care (17 percent), (4) subsidized near-site child care (15 percent) and (5) subsidized on-site child care (also 15 percent).

Impact: Only one of these programs significantly impacted women's attitudes toward their organizations. Seventy-nine percent of women in organizations offering sick child care said they were likely to stay with their employer during the coming year, as opposed to 64 percent of women in organizations that do not (Figure 3). Whether or not an organization offered this benefit similarly improved the percent of men intending to stay with their current employer (data not shown). Some of the lack of significant findings regarding work/life initiatives may be due to the low prevalence of the programs among respondents' organizations. In addition, the results from this study may understate the impact of these work-life programs because we interviewed only current healthcare managers. We have no direct measure of how many women with significant childcare responsibilities, who might have benefited from these programs, have left the healthcare management field. Further, we found that a relatively small proportion of women in the study had small children at the time of the interview; 21 percent of the women had children under the age of six as opposed to 36 percent of the men in the study.

Implications for CEOs: The results from the 2012 study suggest that both women and men are more likely to be loyal to organizations that offer them support when their children are ill. These findings should not be taken to mean that the other programs examined are not helpful with positioning individual organizations as good places for women executives to work. These effects may be more obvious in particular organizations and instituting or eliminating such programs should be decided on an organization-by-organization basis.

7. Other policies

• **Zero tolerance policy for sexual harassment**
• **Promoting from within**
• **Diversity goals tied to business objectives**

Rationale: Organizations may have a number of policies or practices that enhance gender diversity including establishing a zero tolerance policy for sexual harassment, a commitment to promoting from within to fill senior management positions, and linking diversity goals to corporate objectives. Zero tolerance policies aimed at workplace sexual harassment have become widespread. However, studies still show that the majority of those who experience sexual harassment take no action against the perpetrator. Sexual harassment affects staff morale, absenteeism and turnover, as well as the victims' psychological health (Catalyst, 2012).

A clearly stated preference for promoting from inside the organization helps to demonstrate an

organization's commitment to developing the talents of its employees. In conjunction with policies that ensure fair advancement, this results in a better perceived outlook for women with regard to their career trajectory.

Measuring results and holding managers accountable are vital for the successful implementation of pro-diversity initiatives (Cabrera, 2009). Tying diversity goals to business objectives is one way to help assure accountability.

Prevalence: Ninety percent of respondents to the 2012 study say their organization has a zero tolerance policy for sexual harassment. Almost half (45 percent) of study respondents said their organization had a preference for filling senior management positions with internal candidates. About a third said their organization tied diversity goals to their business objectives.

Impact: According to the study findings, establishing a zero tolerance policy for sexual harassment is the most effective way for organizations to contribute to women executives' belief in gender equity, job satisfaction and retention in the organization. Figure 1 shows that 73 percent of women in organizations with anti-sexual-harassment policies believe there is gender equity in their workplace as opposed to 17 percent where such a policy is reported to be not in place. As shown in Figure 2, 44 percent of women executives in the study who worked for organizations with no tolerance for sexual harassment reported being very satisfied with their current position, as opposed to 4 percent of women who worked in organization without this policy. Similarly, 70 percent of women executives in organizations with no tolerance for sexual harassment believe they are likely to stay with their employer in the coming year as opposed to 25 percent in organizations with no strong anti-harassment policy.

Also, as shown in Figures 1, 2 and 3, tying diversity goals to business objectives had a positive impact on women's job satisfaction and perceptions of workplace gender equity. It was

also one of the most effective strategies for contributing to women's intentions to stay with their current employers in the coming year. Eighty percent of women in the study working in organizations that linked diversity goals and business objectives said they planned to stay with their current employer, as opposed to 55 percent in organizations where this was not the case. Filling senior management positions from within also improved women executives' feelings about their employers in the areas of job satisfaction, likelihood of staying with the organization and perception of gender equity.

Implications for CEOs: Establishing and enforcing a zero tolerance policy for sexual harassment is a must for employers who wish to attract and retain talented women executives. Of all of the initiatives examined in this study, this had the largest positive impact on women executives' feelings about their employers. An organization linking diversity to its core business objectives appears to be more likely to retain talented women executives. Finally, while promoting from within has been shown to be a successful strategy for minimizing the disruption of employee turnover (ACHE, 2011), it also positively impacts job satisfaction, loyalty and feelings of gender fairness among women executives. Our study results also suggest that seeking candidates from within the organization increased men's positive feelings about their organization in these three areas (data not shown).

Conclusion: Top Strategies for Gender Diversity

While numerous initiatives were developed to encourage gender diversity in healthcare organizations, only two were adopted by the majority of organizations represented in the 2012 study. These were establishing a zero tolerance policy for sexual harassment and offering flexible arrival and departure times. Almost half of the study organizations offered leaves or

sabbaticals, career development programs and arrangements for telecommuting or working from home.

Statistical analysis of the initiatives examined in this study suggested that a number of them may have a positive impact on women's feelings about their organizations. In order of importance, the following initiatives are most likely to foster women's perceptions of gender equity in their organizations:

(1) Establish a zero tolerance policy for sexual harassment,
(2) Ensure women's representation on key committees,
(3) Seek women to serve on the board,
(4) Encourage senior executives to mentor women and
(5) Have formal succession planning.

Also, in order of importance, the following strategies are most likely to contribute to women executives feeling very satisfied with their positions:

(1) Establish a zero tolerance policy toward sexual harassment,
(2) Encourage senior executives to mentor women,
(3) Seek women to serve on the board,
(4) Ensure women's representation on key committees and
(5) Have the board or corporate officials review the organization's track record on promoting gender and racial/ethnic equity.

And, in order of importance, the most effective strategies contributing to women's intentions to remain with their current employer in the coming year were:

(1) Establish a zero tolerance policy regarding sexual harassment,
(2) Offer flexible arrival and departure times,
(3) Evaluate senior executives in part on mentoring,
(4) Tie diversity goals to business objectives and
(5) Publicize skill and knowledge criteria for advancement.

We hope that these findings will help to shape strategies to foster gender diversity in healthcare organizations nationwide. The study has limitations: (1) the results show associations between the reported presence of pro-diversity initiatives and women's positive feelings about their organizations that should not be construed as causal and (2) particular circumstances of organizations have not been taken into account. However it is likely that implementing the strategies that positively impacted women executives' feelings about their workplaces in the study will result in positive outcomes in healthcare organizations. These include not only helping to attract and retain a workforce of talented women executives with knowledge and skills needed in healthcare management, but also the enhancement of the morale of the entire hospital staff and community who want to see people like themselves making critical decisions about how the organization's mission is carried out.

Figure 1. Effective strategies for fostering women executives' perception of gender equity in their organization.

(Strategies are listed in descending order of the differences in percentages of women perceiving gender equity between organizations in which they were implemented and those in which they were not.)

| | Strategy | Percent of women executives who perceive there is gender equity in their organization when the strategy is… | |
		Implemented	Not Implemented
Most Effective Strategies	Establish a zero tolerance policy for sexual harassment	73%	17%
	Ensure women's representation on key committees	88	50
	Seek women to serve on the board	85	49
	Encourage senior executives to mentor women	91	61
	Have formal succession planning	89	59
Other Effective Strategies	Set targets for promoting women managers or executives*	94	63
	Have the board (or corporate officials) review the organization's track record on promoting gender and racial/ethnic equity	86	58
	Publicize skill and knowledge criteria for advancement	83	57
	Tie diversity goals to business objectives	81	55
	Set targets for hiring women managers or executives	86	63
	Offer flexible arrival and departure times	73	50
	Offer career development programs	78	57
	Provide rotations to develop senior-level executives	83	63
	Fill senior management positions with internal candidates when possible	78	58
	Evaluate senior executives in part on mentoring	80	63
	Offer reduced/part-time work schedule	79	64
	Offer formal mentoring programs to develop senior-level executives	79	65
	Offer leaves and sabbaticals	75	64

While the difference in women's perceptions of gender equity in organizations with and without this initiative was large, this strategy was implemented in only five percent of the organizations studied. Therefore, this finding should be interpreted with caution.

Figure 2. Effective strategies that contribute to women executives feeling very satisfied with their current position. (Strategies are listed in descending order of the differences in percentages of women who are very satisfied with their position between organizations in which they were implemented and those in which they were not.)

	Strategy	Percent of women executives very satisfied with current position when the strategy is...	
		Implemented	Not Implemented
Most Effective Strategies	Establish a zero tolerance policy for sexual harassment	44%	4%
	Encourage senior executives to mentor women	68	37
	Seek women to serve on the board	51	28
	Ensure women's representation on key committees	50	28
	Have the board (or corporate officials) review the organization's track record on promoting gender and racial/ethnic equity	57	36
Other Effective Strategies	Evaluate senior executives in part on mentoring	53	36
	Publicize skill and knowledge criteria for advancement	50	33
	Have formal succession planning	51	35
	Offer leaves and sabbaticals	49	33
	Offer flexible arrival and departure times	43	27
	Offer a compressed work week	52	37
	Offer career development programs	47	32
	Fill senior management positions with internal candidates when possible	48	34
	Offer reduced/part-time work schedule	49	36
	Tie diversity goals to business objectives	46	34
	Offer courses that teach principles of healthcare management targeted to former clinicians	46	37

Figure 3. Effective strategies contributing to women executives' intentions to remain with their current employer in the coming year. (Strategies are listed in descending order of the differences in percentages of women who intend to remain with their employer in the coming year between organizations in which they were implemented and those in which they were not.)

	Strategy	Percent of women executives who intend to remain with current employer in the coming year when the strategy is...	
		Implemented	Not Implemented
Most Effective Strategies	Establish a zero tolerance policy for sexual harassment	70%	25%
	Offer flexible arrival and departure times	70	46
	Evaluate senior executives in part on mentoring	84	59
	Tie diversity goals to business objectives	80	55
	Publicize skill and knowledge criteria for advancement	80	56
Other Effective Strategies	Encourage senior executives to mentor women	84	61
	Seek women to serve on the board	76	53
	Ensure women's representation on key committees	76	55
	Have the board (or corporate officials) review the organization's track record on promoting gender and racial/ethnic equity	79	61
	Fill senior management positions with internal candidates when possible	74	56
	Offer leaves and sabbaticals	76	59
	Have formal succession planning	77	61
	Offer sick child care	79	64
	Provide rotations to develop senior-level executives	76	63
	Offer career development programs	72	60
	Offer courses that teach principles of healthcare management targeted to former clinicians	71	62

The business case for promoting gender diversity in management:

• **Organizations with more female managers perform better financially.** In a study by Catalyst of 353 Fortune 500 companies, organizations with the most women in top management positions boasted better financial performance than companies with the fewest women managers. This study measured Return on Equity (ROE), which was 35 percent higher for companies with the most women managers, and Total Return to Shareholders (TRS), which was 34 percent higher for these organizations (Catalyst, 2004).

• **Organizations with more female representation on boards perform better financially.** In another report by Catalyst on 524 Fortune 500 companies, organizations with the most women board directors outperformed organizations with the fewest women board directors on Return on Sales (ROS) by 16 percent and on Return on Invested Capital (ROIC) by 26 percent. Organizations maintaining a high representation of female board directors (defined as three or more female board directors in at least four of five years) substantially outperformed those organizations with less female board representation by 84 percent on ROS, 60 percent on ROIC and 46 percent on ROE (Catalyst, 2011).

• **Women demonstrate strong leadership skills leading to organizational success.** In a 2011 study of 7,280 leaders at public and private organizations, who were rated by their peers, superiors and direct reports, women outranked men in 12 out of 16 leadership competencies by a significant margin. These competencies "strongly correlated to organizational success factors such as retaining talent, customer satisfaction, employee engagement and profitability" (Zenger Folkman, 2011).

• **Women's leadership style is well-suited to current healthcare organizational needs.** Women tend to be transformational leaders, who empower their followers to develop to their full potential and contribute more effectively to the organization. This is in contrast to a transactional leadership style, which establishes give-and-take relationships by appealing to followers' self-interest. Findings have shown that transformational leadership is generally more effective and that transactional leadership is somewhat effective or in some cases detrimental (Eagly & Carly, 2007).

• **Female leaders are important for understanding and relating to female stakeholders.** Organizations wishing to better understand and respond to their female patients, employees and other women stakeholders need more female leaders, particularly on boards (CED, 2012).

• **Recruiting and retaining talented employees is crucial in today's competitive market.** Companies that do not make a concerted effort to recruit and keep their female employees neglect half of their labor pool (CED, 2012).

• **Women are receiving healthcare degrees at an increasing rate.** Since the 1980s, women have earned more baccalaureate and post baccalaureate degrees than men. This gap is projected to widen in the coming decades. Moreover, the most master's degrees are awarded to women in the health professions and related clinical sciences (Hoss et al., 2011). This means that the number of women comprising the available talent pool for healthcare management will only continue to increase.

• **Promoting diversity positively impacts employee morale and retention.** True commitment to diversity initiatives and representative leadership has positive effects on employee morale (Catalyst, 2012) and retention (Hoss et al., 2011).

- **Pro-diversity initiatives demonstrate the organization's commitment to the values of their patients and other stakeholders.** Selecting women for leadership roles and to boards answers the increasing public demand for organizations to demonstrate social accountability by propagating societal values of inclusion and diversity (CED, 2012).

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American College of Healthcare Executives
One North Franklin Street, Suite 1700
Chicago, Illinois 60606-3529