Closing the Gender Gap in Healthcare Management

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- Women account for 46 percent of the U.S. workforce—and are expected to account for 48 percent by the year 2005.

- A recent study of Fortune 1000 industrial companies and 500 service companies found that 95 percent of senior-level managers were men.

- A survey of the nation’s 500 largest companies found that of the 2,430 people holding the title of chairman, chief executive, vice chairman, president, chief operating officer, or executive vice president, only 57—or 2.4 percent—were women.

- The same survey found that the range of female to male earnings in management jobs ranged from a low of 50 percent in the banking industry to 85 percent for human services managers.

- Financial Women International found that 73 percent of the male CEOs it surveyed did not believe that the proverbial “glass ceiling” existed; 71 percent of the female vice presidents surveyed disagreed.

Taken in their totality, these findings suggest that despite acknowledged strides in leveling the playing field for men and women in the workplace, the gender gap has far from disappeared—at least not in corporate America.

But how relevant are these findings to the field of healthcare management? One might suspect that the gap is not so pronounced here because nursing has long been a profession dominated by women; hence, a greater number of women holding management positions are already positioned to move up the career ladder.

In the pages that follow, we will share what we have learned from a 1995 study of gender and careers in healthcare management. And, as you will see, while cracks are evident, the glass ceiling still remains.

We will also share suggestions with you—as CEO—for addressing the inequities that still exist. As a leader in the field, you are uniquely positioned to make a positive difference in workplace perceptions and actions.
Background

"I firmly believed until recently that if you worked hard and did a good job, gender was not an issue. However, the higher I moved up the ladder, the more difficult it became. I look forward to the rise of a generation of true leaders from both sexes who value people, communications, collaboration and, ultimately, long-term results."

—Female respondent to ACHE 1995 Gender and Careers Study

Although we are not aware of any universal census of the gender composition of healthcare executives, ACHE data suggest that the percentage of women in healthcare management is increasing. Although between 1944 and 1983, the percentage of ACHE members who were women declined from 51 percent (largely members of religious orders) to 11 percent, the percentage has risen ever since. In 1996, women accounted for 32 percent of ACHE members and for 52 percent of all members under age 30.

What these statistics do not tell us, though, is the level of career attainment among women healthcare executives or how their perceptions of gender equity in the workplace compare with those of their male counterparts. To answer these questions, ACHE and the University of Iowa conducted a study in 1990 of the career attainments and attitudes of a group of male and female healthcare executives. Not surprisingly, we found both statistical and anecdotal evidence that a gender gap did indeed exist. Then in 1995, ACHE, the University of Alabama-Birmingham, and Lamalie Amrop International conducted a follow-up study to see whether the gap had narrowed.

Here's a look at what we found in our most recent study:

- Male and female healthcare executives had comparable levels of education and experience. (This was also the case in the 1990 study.)

- Eight percent of the women surveyed held CEO positions, compared with 21 percent of the males.

- Half of the men surveyed, compared with one-third of the women, held general management positions; women were more likely to hold positions in nursing, planning and marketing, and quality assurance.

- Despite similar educational backgrounds and experience, women surveyed earned $15,000—or 16 percent—less on average than their male counterparts. (This represents an improvement over the 1990 findings, where the gap averaged 20 percent.)

- For every position level surveyed, women respondents earned less than men with the same job title—the differences were most pronounced for the positions of vice president/administrator, and department head/departmen staff positions.

- Despite the salary differential, 58 percent of the female respondents (compared with 64 percent of the male respondents) said they were satisfied with their pay.

- Thirty percent of the female respondents, compared with 4 percent of the male respondents, said they had failed to be promoted because of gender.

- Fifty-seven percent of the male respondents, compared with 33 percent of the
female respondents, aspire to be CEOs in the next 15 years.

- Thirty-six percent of the women in the survey, compared with 15 percent of the men, said their most influential mentor was a woman.

- While both female and male respondents said they worked 50 hours a week on average, significantly more women than men (37 percent versus 6 percent) said they were their families' primary caregiver.

- Despite their caregiver roles, only 24 percent of the women surveyed said their family obligations presented an obstacle to accepting more job responsibility, compared with 17 percent of the men.

- Fifty-three percent of the men and 82 percent of the women surveyed perceive women as being more nurturing at work, while both groups see men as more competitive, assertive risk-takers who benefit more from advancement opportunities.

- Fifty-seven percent of male respondents and 69 percent of female respondents believe men and women possess equal leadership qualities.

- Twenty-nine percent of the women surveyed and 5 percent of the men said they had been sexually harassed over the past five years. (Women who said they had been sexually harassed were similar to those who had not in terms of age, degree attainment, previous clinical experience, work setting, position level, and marital status.)

These findings lead us to conclude that despite comparable levels of education, women have not been as successful as men in moving up the career ladder in healthcare management. It is unclear exactly why this has been the case, but the findings suggest that their slower ascension may be due to a number of factors, including clinical rather than management educational preparation and backgrounds, differing career aspirations (either by choice, family responsibilities, or a belief that they cannot overcome the gender gap), and, unfortunately, real or perceived discrimination in the workplace.

This latter contributor is obviously the most troubling. If you subscribe to the notion that "perception is reality," then it matters little whether discrimination is real or perceived. We were particularly troubled by the comments received to the open-ended questions on the survey, because a number of responses reaffirmed that the gender gap is alive and well in the field.

Here is some of what we heard:

"As I approach 20 years in the field, I look back and realize that had I been a man with the same personality, skills, talent, and competence, I would have been a CEO for most of my career and earned a lot more money and had a decent retirement package."

"I've come to realize that there is no such thing as 'equal opportunity' and no way to enforce it legally at the management level."

"As a single female, my salary kept pace with my male counterparts. Once I got married, an attitude shift occurred. I became the secondary breadwinner."

"I believe both my gender and training as a nurse affect the amount of recognition I receive from my male CEO and regional management as well as my career advancement opportunities."
"Most of the time I squelch my anger and disappointment over how my gender affects my career, but occasionally the anger busts the lid on the box in which I compartmentalize it so as not to offend the powers that be."

Why You Should Care
Taking a leadership role in eliminating gender bias in the workplace is a clear imperative for CEOs. It is an ethical responsibility, a legal mandate, and a sound business practice. Let’s look first at why promoting diversity—be it gender or race—makes good business sense.

There are several reasons why this is true. First, the literature is replete with evidence that as our communities and workforces become more diverse, organizational viability will be inextricably tied to our ability to mirror such diversity on our management teams. In fact, The Conference Board cites a recent study of leading businesses in which one-quarter of the respondents said this was the most important business rationale for promoting diversity.

Consider also the fact that women today account for 85 percent of the consumer dollar. Given that, it is also suggested that placing women in decision-making roles as it relates to goods and services brought to the market is a key to ensuring that these goods and services are targeted appropriately to this powerful group of buyers.

Diversity on the management team has also been linked to increased productivity—although research exists that both confirms and disputes this claim. But many believe that, in fact, a diverse management team leads to improved idea generation and organizational innovation. Harvard Community Health Plan, for example, has gone public with its contention that its diversity initiatives (which are not limited to women) will allow the plan to:

- Recruit competitively for new talent and members

- Cultivate a high-quality work environment and enhanced staff morale

- Serve and satisfy an increasingly multicultural membership

- Maximize talent and minimize costs

- Generate more perspectives and, therefore, improve problem-solving

A final business rationale for addressing workplace inequities between men and women is to avoid litigation. While some argue that fear of litigation is an "unhealthy" motivation for promoting diversity of any kind, costly legal battles are an undeniable outgrowth of workplace inequities. And, as we all know, the costs of such battles are not just computed in dollars and cents—they exact their toll as well both in terms of staff morale and public perception.

An Ethical Imperative
Promoting workplace equity is an ethical imperative for CEOs—no one would argue otherwise. In fact, it is specifically addressed in ACHE's Code of Ethics.

The Code states that healthcare executives have an ethical and professional obligation to employees of the organizations they manage that encompasses but is not limited to "(w)orking to ensure a working environment that is free from harassment, sexual and other; coercion of any kind, especially to perform illegal or unethical acts; and discrimination on the basis of race, creed, color, sex, ethnic origin, age or disability..."
Further, upon finding in this 1995 study the high percentage of women (29 percent) who said they had been sexually harassed in the workplace over the past five years, ACHE's Board of Governors adopted a Public Policy Statement specifically addressing this issue. For your reference, we have enclosed a copy of that statement, titled "Preventing and Addressing Sexual Harassment in the Workplace."

But while the ethical imperative and the business benefits are clear, closing the gender gap continues to be a sizable challenge. For one thing, even the most visionary and committed CEO cannot single-handedly correct the problem. Second, the degree to which the gender gap exists, as we have seen, is to an extent a matter of perception. Hence, getting a handle on the magnitude of the problem can in and of itself be a difficult task. Third, the amount of time we devote to such issues is often limited by the attention we are giving to more "tangible" organizational survival issues.

Our goal here is to provide a framework by which you can begin or continue to address issues related to closing the gender gap—many of which have broader applicability as it relates to promoting diversity of all kinds in the workplace. While this framework will not lead to quick fixes, it will hopefully provide a basis for meaningful reflection and discussion. And, in time, we hope that with your efforts and those of your colleagues, such discussions will lead to changing attitudes and perceptions and make healthcare organizations models for gender fairness.
Framework for Addressing the Gender Gap

Consider the implications of our gender study findings
To address workplace inequities in a meaningful way, it is important to look beyond the statistics presented here and explore the implications of the findings. Here we will examine the implications of several key findings.

Finding: Women healthcare executives have different educational backgrounds and early work experience than their male counterparts.

More men than women in our 1995 survey had master’s degrees in healthcare management, had completed residencies, and had worked more years since receiving their master’s degrees. More than half of the women, compared with one-quarter of the men, had previous experience as clinicians.

Implication: Clearly, women healthcare executives have not had comparable “formal socialization experiences” to men in healthcare management. To level the playing field, you should consider sending women executives who did not come from a healthcare management background to educational programs that can round out their on-the-job experience. (Certainly, the same opportunity should be given to male executives who lack similar educational preparation.) University certificate programs in healthcare management and professional development programs offered by ACHE and other professional societies should be considered.

In addition, you will want to encourage women on the management track who do not have graduate degrees in health-care management to enter such programs or pursue other master’s degrees that will enhance their careers and contributions to your organization. Job rotation programs may be a way to complement the careers of both female and male executives who have not completed residencies.

Finding: Women healthcare executives experience more work-family conflicts than their male counterparts.

Significantly more women healthcare executives than men (37 percent versus 6 percent) are the primary caregivers, according to our 1995 survey. We also found that more women than men were likely to interrupt their careers because of their spouses’ careers or for child-related reasons.

Implication: To capture the talent of women with family commitments, you will want to rethink workplace flexibility—striking a balance between meeting organizational needs and being responsive to the day-to-day challenges of balancing work and family life. Consider the feasibility of job sharing, flextime, on-site child care, and sick child services.

You will also want to evaluate the extent to which your organization is perceived as having a “mommy track” that results in a slower progression up the career ladder for mothers in exchange for time off or a lightened load to respond to at-home demands. Eliminating the “mommy track” while being fair to other employees who do not require a modified work schedule is admittedly a significant challenge.

Finding: Women attribute career advancement in their current organizations to several factors other than job performance.
Although both men and women in our study said job performance was critical to career advancement, significantly more women than men believed the following factors also came into play: having a senior person/mentor look out for you, having opportunities for visibility with senior management, resembling senior management in appearance/style, and socializing with senior management away from work. Also, more women than men attributed advancement to demonstrating a willingness to work long hours.

**Implication:** It is worth taking stock of the extent to which women on the management track have opportunities for visibility with senior management and the board. Consider bringing women to selected high-level meetings and having them present to these groups as appropriate. You may also wish to consider the extent to which you can plan off-site events at which women feel comfortable.

**Finding:** Sexual harassment continues to be a problem in our healthcare organizations.

Twenty-nine percent of the women in our survey said they had been sexually harassed over the past five years. Clearly, that is a concern that merits immediate attention by all CEOs and senior management teams.

**Implication:** You will want to refer to the enclosed *Public Policy Statement* on sexual harassment and take action immediately to ensure that your organization demonstrates zero tolerance for sexual harassment.

**Finding:** Women healthcare executives have lower career aspirations than men.

As noted earlier, twice as many men as women in our survey aspire to be CEOs. Although a number of factors may contribute to this, it is important to eliminate barriers to advancement that may compel women healthcare executives to lower their professional expectations.

**Implication:** CEOs are uniquely positioned to inspire and motivate employees. By providing promising managers (both women and men) with opportunities to broaden and enhance their skills and develop leadership capabilities, more women healthcare executives may set their sights higher. At the same time, it is important not to create false expectations. In today's healthcare marketplace, there are fewer top jobs available. For that reason, it is important to encourage managers to broaden their skill set so that they will have greater marketability.

**Finding:** Women and men are perceived as having different management styles.

Both the men and women surveyed believe women have a more nurturing management style than men and that men are more competitive.

**Implication:** While these findings are not disparaging, you must be careful not to form preconceived notions of individuals' management styles. Through coaching and feedback, you and your senior management team will want to help less experienced managers—both women and men—develop a variety of management styles that are situational rather than based on gender.

**Learn from the Successes and Failures of Other Organizations**

Diversity initiatives are widespread in all business sectors today. Yet success stories remain few and far between. Among the most commonly cited factors contributing to the seeming ineffectiveness or problems with such programs is the failure to tie these programs to business objectives.
Companies have learned the hard way that crafting value statements that “embrace” diversity is only a first step.

Typically, companies take one of two approaches to promoting a diverse workforce. Some encourage women and minorities to “blend in” and overlook the very real differences in life experiences that these groups naturally would bring to the table. Others go to the other extreme, extenuating the differences of various groups and perpetuating stereotypes accordingly, e.g., promoting a woman to vice president of nursing but not promoting another woman to vice president of finance.

Researcher David Thomas in a recent Harvard Business Review article suggests neither approach is appropriate. Instead, he says, while hiring efforts should be made relative to increasing women and minorities throughout the organization, these groups should not be valued only for their unique gender or race attributes. Instead, these groups’ unique perspectives need to be applied to all facets of an organization’s strategies and operating procedures. He recommends that organizations learn to capitalize on diversity by implementing a “learning and effectiveness paradigm” that connects “diversity to work.”

**Take a Multi-Faceted Approach to Change**

Creating and sustaining an organizational culture that fosters diversity depends on having the right policies and procedures in place as well as increasing the pervasiveness of attitudes and behaviors that reinforce your organization’s commitment to a level playing field. On the following page, we offer suggestions that can help you and your organization level the playing field for women. As you will note, many of the suggestions are also applicable for promoting race diversity.
CEO Action Steps

✓ Become personally involved—lead your organization’s diversity initiatives. For example, consider chairing an internal “diversity council,” speaking at employee orientation programs about your organization’s commitment to promoting diversity, or hosting a training program for staff on diversity at which you deliver the opening remarks.

✓ Host a “summit on diversity” at which you, members of your senior management team, human resources professionals, and a cross-section of staff meet to identify and address diversity issues.

✓ Develop and articulate an organizational “diversity philosophy” that clearly ties your diversity goals to business objectives.

✓ Encourage gender (and race) diversity on your board.

✓ Identify and communicate skill and knowledge criteria for advancement within your organization, institute formal succession planning, and provide rotational and non-traditional job assignments that broaden individuals’ experience and visibility.

✓ Conduct a longitudinal study of the career attainments of women in your organization to identify problems in recruitment, retention, and promotion.

✓ Combine internal benchmarking with analysis of industry practices to identify successful innovation in fostering gender/race equality in the workplace.

✓ Inquire if the short list of candidates for senior management positions does not include at least one qualified woman and a minority executive.

✓ Keep your board apprised of your organization’s diversity initiatives and ask board members whose own organizations have successful diversity programs to share their successes with your management team.

✓ Encourage your senior managers (particularly male executives) to serve as mentors for junior-level managers—assisting them with developing career plans and coaching them on ways to advance within the organization.

✓ Reassess your organization’s personnel policies and identify and amend those policies that penalize individuals for their family/caregiver responsibilities.
Appendix

Essential Components of Diversity Strategies

Business researchers cite the following as essential components of diversity strategies in order of importance:

1. Management commitment, leadership, and support
2. Integration of diversity initiatives into business and organizational objectives
3. Communication and continuing dialogue among all employees
4. Education and training
5. Accountability with consequences, especially for senior and middle management
6. Employee involvement
7. Measurement of initiatives
8. Line-driven initiatives
9. Inclusive definition of diversity
10. Culture change
11. Clear diversity vision and objectives
12. Access to decision making and decision makers
13. Champions of diversity at all levels
14. Resources
15. Strong recruitment, retention, and promotion efforts

References


