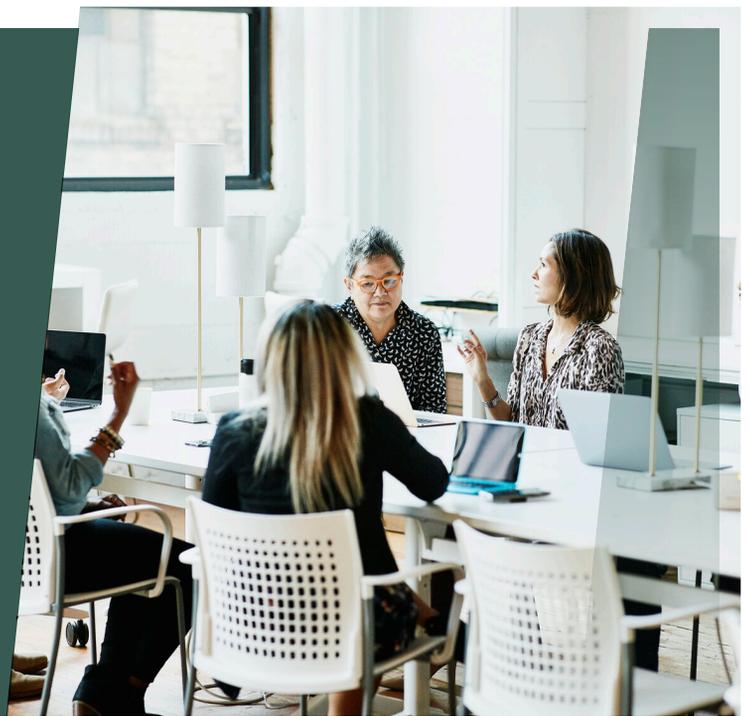


Memo to the C-suite: build a board grounded in gender equity

KF Health Board Services



Gender equity on healthcare boards is more vital than ever. C-suite executives already appreciate women's invaluable contributions to senior management and board service.

Women accelerate enterprise-wide transformation and boost clinical, financial, and operational performance.

The evidence for gender equity on corporate and healthcare boards is growing.

Innovation: Women bring innovation to business strategy and resource allocation, according to research in the *Journal of Business Diversity*¹.

Value creation: Board gender diversity is as vital as revenue growth in forecasting an organization's long-term success, according to FCLTGlobal².

Crisis management: Organizations with more women in top positions were able to rise above the challenges of COVID-19. The result: Organizations where women held a third of board seats outperformed peers in 11 of 15 sectors, according to a report from BoardReady³.

Integrity-based governance: Financial institutions with more women on their boards are more likely to practice honest governance and less likely to commit fraud, according to the *Harvard Business Review*⁴.

Despite these benefits, healthcare organizations haven't achieved gender equity on boards:

- The boards of venture-backed healthcare companies have less than 50% women, according to a 2021 report from Deerfield⁵.

- Women make up just 27% of the boards of not-for-profit hospital and health systems, according to joint research from the Women's Nonprofit Leadership Initiative and Nonprofit Issues⁶.
- 6% of companies on the Russell 3000 have no women board members, while just 8% of these boards are 40% female. Only 71 companies have boards where half of members are women, according to the 2021 Equilar Gender Diversity Index⁷.

The good news is that you can move the needle on gender equity by initiating a seven-step process:

1. View gender equity in the context of the three elements of a high-performance, talent-centric board.

Factor one: Board diversity and composition—Does board composition support strategic decision-making? Is board composition adequately diverse across gender, ethnicity, geography, and cognitive style?

Factor two: Board effectiveness—Are board members able to fulfill their potential? Can they give and receive feedback? Are they able to assess their contributions and develop a plan to build knowledge, skill, experience, and leadership style?

Factor three: Board team effectiveness—How well

do board members share ideas? Do they grasp board roles and responsibilities? Are they able to collaborate and resolve conflicts in healthy ways?

2. Anchor the pursuit of gender equity in organizational and diversity, equity, and inclusion strategy.

Before you launch an initiative to identify, recruit, and develop women board members, revisit your organization’s mission, vision, values, and strategies, making sure that potential board members support core strategic imperatives—from an aligned clinical network and clinical and operational transformation, to a productive, engaged workforce, and growth of new markets. Also check board members’ mesh with organizational values like excellence, integrity, safety, stewardship, and service.

Board members need to know that the pursuit of gender equity is more than a fad or token gesture. You can help them see how gender equity fulfills mission, achieves vision, and aligns with values and strategic imperatives.

3. Build a diversity, equity, and inclusion plan that zeroes in on gender equity and incorporates core elements of any effective plan.

Every plan should include an assessment of strengths, challenges, opportunities, gaps and needs, goals, strategies, and metrics, implementation steps, and communication strategies and tactics.

To understand what’s possible in the realm of gender equity, figure out where you’re at by posing a series of questions:

- What stands in the way of the recruitment and



development of women board members?

- How is gender equity compromised by conscious and unconscious bias?
- What do board stats reveal about the extent and depth of gender inequity?
- How do stories and anecdotes support or contradict numbers on board composition?

4. Tap external expertise in opening the door to gender equity.

Recruiting qualified women board members demands that you partner with a retained executive search consultant or solicit recommendations from a broad range of stakeholders—from donors, staff, and community leaders to experts on front-burner issues like digital transformation, cybersecurity, or the social determinants of health.

Inviting in new board members can generate tension and even backlash. So, you may want to tap the expertise of a facilitator who will surface unspoken biases and confront anxieties over how the board and organization could change.

A facilitator or consultant may be able to recommend strategies to deal with feelings of rejection, exclusion, isolation, and abandonment. Answers may come in the form of recommendations on term limits or appointments of lifetime or emeritus board members.

5. Build an environment where women board members can celebrate their uniqueness, contribute, and thrive.

Board members need to know what it means to reach out to women as colleagues, team members, and collaborators. Among the possible roadblocks:

- Board members assume that women will take on challenges in more traditional domains like human resources, community outreach, public relations, or design.
- Boards overly rely on women to function as interpreters and advocates for women’s needs, preferences, and priorities.

While women board members offer a unique point of view and knowledge of women’s health needs, they’re equally qualified to address finance, reimbursement, regulation, technology, quality,

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and crisis management.

Women can also serve as an early warning system on bias, discrimination, and unintended exclusion or marginalization. Rely on women board members to address a range of obvious and under-the-radar issues like these:

Communication: How does this organization reveal bias in communications and use of language?

Operations: How does the organization miss the mark in the way it approaches decision making, problem solving, conflict resolution, and innovation?

Talent management: How effectively does the organization recruit, hire, engage, and develop women employees, managers, executives, and board members?

Markets: How can the organization reveal more understanding and empathy for the concerns of stakeholders and marginalized communities?

6. Make inclusion of women job one.

C-suite executives have the clout to promote the inclusion of women at every level of the organization.

Management and leadership: Do managers and executives unleash the potential of women workers? Do they empower women to assume risks and take charge of their careers? Do they embed diversity, equity, and inclusion strategies in the culture and promote diversity, equity, and inclusion via routine interactions with team members?

Policies, procedures, and processes: Review your recruitment, hiring, development, and promotion policies for fairness and mesh with gender equity.

How does under-the-radar, unconscious, or conscious bias slow or restrict women? How do policies, procedures, and processes create detours and roadblocks? How is gender equity championed or compromised via practices related to recruitment, onboarding, mentoring, education, promotions, and compensation?

7. Sustain gender diversity via change management.

Develop a change management plan that delivers a rationale for the shift toward gender equity.

Impact: Identify the impact of gender equity on stakeholders, policies, processes, roles, and structures.

Change task force: Create a change management team or task force to execute or make good on the shift to gender equity. The task force can interact with stakeholders, address confusion and resistance, and orchestrate the transition to greater gender equity.

Advantages and milestones: How will the shift toward gender equity influence stakeholders? What are the key milestones in the journey toward gender equity? How will you tap these milestones to persuade stakeholders that the plan works, the direction is right, and the investment is worthwhile?

Communication of change: How will you sustain focus and build trust via enhanced visibility for gender equity? How will you set a positive tone and help the organization grasp the ROI and benefits of gender equity? And how will you create forums so stakeholders can raise questions and express opinions on gender equity issues?

Investing in the gender equity of healthcare boards is invaluable. It can open new pathways to

service development, market expansion, crisis management, and tech transformation.

By fostering gender equity on your organization’s board, you telegraph your commitment to diversity, equity, and inclusion and the diverse communities you serve. The more you nurture gender equity, the better you can engage with and serve the needs of diverse stakeholders.

A sustained commitment to gender equity also creates a deep pool of qualified talent, which you can tap to fill available positions and fortify your leadership pipeline.

Gender equity is a process and journey with long-term business and clinical consequences for healthcare organizations.

¹Using Innovative Strategies to Unpack Female Contributions on Corporate Boards, Journal of Business Diversity, April 23, 2021.

²The Results Are in: The Surprising Relationship Among Revenue Growth, Board Gender Diversity, And Long-Term Value Creation, FCLTGlobal, March 2, 2020.

³Lessons from the Pandemic: Board Diversity and Performance, BoardReady, July 13, 2021.

⁴Banks with More Women on Their Boards Commit Less Fraud, Harvard Business Review, May-June 2021.

⁵Gender Disparity Among Venture-backed Healthcare Companies and Their Investor Base, Deerfield Management Company

⁶The Gender Gap in Nonprofit Boardrooms, Women’s Nonprofit Leadership Initiative, 2021

⁷Q1 2021 Equilar Gender Diversity Index: Boards Are Nearly Halfway Down the Path to Gender Parity, May 20, 2021



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