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Recruiting Diverse Board Members

Diversity has become a vital concern to the Catholic health ministry. In view of that fact, Health Progress is publishing a series of interviews with people who have undertaken significant leadership roles in fostering diversity in their organizations and communities.

The interviews were conducted by Everard O. Rutledge, PhD, FACHE, vice president, community health, Bon Secours Health System, Marriottsville, MD. This, the second interview in the series, was with Thomas Royer, MD, president and CEO of Dallas-based CHRISTUS Health. Sr. Teresa Stanley, CCVI, PhD, CHA's senior director of sponsor services, also participated.

Rutledge: When you examine the makeup of local hospital and health system boards in Catholic health care organizations, do you see sufficient ethnic, cultural, and gender diversity—diversity that is reflective of the communities we serve?

Royer: I think, in general, there is not, and I would add one more kind of diversity to the list—"required expertise" diversity on the board. What are the issues that this board is dealing with? What are the major issues that are really reflective of the community that the board is serving, and do they have people sitting at the table who not only reflect the community's ethnic, cultural, and gender diversity, but expertise diversity as well?

Historically, I think, well-known people who were able to donate financially to the organization were more likely than others to be appointed to boards. As a result, boards usually lacked the diversity we are looking for today.

Certainly in CHRISTUS we are doing many,



Royer

many things to make that change, and I know we are moving in the right direction. But overall, I believe, boards are generally not where they need to be with regard to diversity.

Rutledge: How should we plan to maintain our current levels of diversity, or increase it where necessary, within our local or national boards?

Royer: First of all, I think we need to be very attuned to and educated on the demographic profiles of the communities that our organizations are serving, and we need to keep those profiles current. We need to do a demographic profile on our communities at least every other year, as part of our strategic planning process. Then, whatever that percentage of diversity is, we should commit to attaining that same ratio in our workforce at the management level, at the leadership level and ultimately at the board level. We need to do this at every level of the organization. We must make it a high priority.

Rutledge: What do you see as our greatest obstacle in achieving board composition that is reflective of our communities that we serve?

Royer: In looking at our experience within CHRISTUS over the last five years, I would identify three major reasons why we have difficulty in getting the diversity required. First, we've had some difficulty persuading the diverse people in our communities to serve. The problem is that many other organizations are looking at diversity and seeking the diverse population available to serve. Therefore, people are often torn as to which

organization to serve—, for example, the Rotary, Kiwanis, church, or the hospital board? Their willingness to serve and their willingness to invest the time required are also a significant factor.

The second obstacle is lack of preparation. People tend to believe they need expertise in a specific area to be a board member. Because people with diverse backgrounds don't always have the experience that nondiverse people have, they may question their capability to serve. Of course, this is sometimes true of people with nondiverse backgrounds as well.

And the third obstacle, I think, is good self-esteem. We've seen it in our system's leadership development programs, particularly in the CHRISTUS Education and Research Fund, which encourages employees to develop new skills and move up in the organization.* It's our preparation ground for future CHRISTUS leaders. Some of our diverse associates seem to lack the self-esteem that gives them the confidence to say, "You know, I am able to participate in that and, therefore, I'm going to put my name in the application pool." Sometimes a lack of self-esteem fails to give them the confidence to say yes when we approach them about service.

Rutledge: *Is there a need for increased education on diversity and/or related topics at the governance level of our organizations? How can we best go about increasing the competencies of board members?*

Royer: Diversity has to become a high priority in board discussions. At CHRISTUS, both the board and our member organizations have asked me to make it a very high priority. As a result, our senior team is in the process of developing a defined and measurable plan to create more diversity in our organization.

People in general, and board members specifically, need more education about culturally diverse populations, recognizing that we need to give serious consideration to how we can best serve them and build programs around them. It is most important to have the policies in place to ensure that diversity is represented in your governance process. We need to recognize that ideal

patient care is delivered to multicultural communities by diverse teams and leaders, all governed by multicultural boards representing the communities we serve. If we fail to do that, we'll inevitably provide less than high-quality services, because we will be doing it from our own perspective rather than through the eyes of the person we're serving. That is why diversity at all levels of our organization is important.

Education on diversity and then having diversity measurements as part of our goals and objectives is key. Leadership must be held accountable for giving both verbal and written reports on a periodic basis to the board to make sure that we are accomplishing what the board expects.

Rutledge: *Is there anything else that you would like to share with regard to CHRISTUS's experience in enhancing diversity within your governance structure?*

Royer: CHRISTUS has a system nominating committee that is responsible for creating diversity of ethnicity, gender, and expertise on our regional boards. When these boards want to add new members, they first submit the names to the system nominating committee and then to the full board for ultimate approval.

In considering new board members, CHRISTUS assesses a profile of the present board: How many women are members? How many men? How many members are lawyers? How many possess financial expertise? What are their cultural backgrounds? By looking at the profile of the current board, we can determine its diversity needs—the voids that should be filled—and then ask ourselves: "Do the new board members who are replacing retiring board members actually enhance our diversity, moving us closer to reaching our diversity goals?" We review these profiles on an annual basis and send written reports back to regional nominating committees. These reports say, for example, "You are making progress, but the next time we expect to see more African Americans, more Hispanics, or more peo-

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*The \$1.25 million CHRISTUS Education and Research Fund sponsors GED classes, technical education programs, job fairs, and skill assessments for system employees.

ple with financial expertise.”

We also look at the “years of experience” diversity. Are the younger board members balanced with more experienced people? We have board profiles computerized so we can review them on an annual basis. Because our boards have term limits, we know the backgrounds of members who are rotating off. By identifying the expertise that we need to fill those rotational voids, we can make sure that the new boards members narrow that gap and create a more diverse organization. This process has been in place since we started five years ago. On a scale of one to 10, we believe that we started out at a two or three. Today we’re probably between seven and eight. The process has given us the ability to make significant progress. Sr. Teresa Stanley, who knows CHRISTUS well, would agree with that, I think.

Sr. Teresa: *One thing I might add is the fact that when you look at the profile of a CHRISTUS board, you see a reflection of the profile of the community.*

Royer: Yes, exactly.

Sr. Teresa: *A CHRISTUS board is a little map of the organization as well as of the community. I found that very helpful. Because when you’re trying to set a direction for your organization, you need a profile of the community as a kind of guide.*

Royer: I think the point you make so well, Sr. Teresa, is critical to our progress. Using the profile, we can measure the percentages of our various constituencies and then strive to have all levels of the organization reflect the community we serve.

Rutledge: *Are there other observations that you’d like to share with Health Progress readers?*

Royer: Yes. I feel strongly that if diversity is going to be addressed appropriately, it has to also be part of a board’s self-evaluation. It has to be part of the board’s goals for the year. It has to be part of the CEO’s responsibilities and accountabilities from the board level. A board must have regular reports so it can measure the progress made. Unless diversity is a goal in all these parts of the organization, it is probably not going to improve.

At the board level, the people who are most willing to serve are those who have served before and want to continue serving. In order to get real diversity, you have to actively *seek* potential board members. Once you’ve found them, you must encourage them to serve and then prepare them to do so. At CHRISTUS, we educate new board members so that they feel competent. We address any self-esteem issues as quickly as possible. Serving on board committees is a good way to develop more confidence; it helps make people more willing to move into a board office. Identifying potential candidates early—even a year in advance—gives you time to prepare them to take this board responsibility.

So, for me, diversity has to be a part of our leadership *soul* and well as part of your goals. It requires as much focus as we give to finance and quality.

Sr. Teresa: *Before we close, I’d like to mention a related issue. We’ve had discussions at CHA recently about the possibility of creating a kind of information exchange concerning board members. If we had such an exchange, the ministry could stay informed about the availability of, for example, an experienced person whose term was up on one organization’s board but was willing to serve on another. I wonder if we shouldn’t encourage that type of exchange, one in which an organization could tell others, “We have somebody who’s highly qualified and is leaving our board. You might want to invite him or her to join your board.”*

Royer: I think that’s really important for the national boards. CHRISTUS hasn’t had any names to share yet, because we haven’t had anyone rotating off. But members will begin rotating off in 2006, and we plan to start providing some name to systems.

Clearly, a strength we have in Catholic health-care is the number of women serving on our boards, which you often do not see in some other health care systems. So we have a strong foothold on gender diversity. We need to be as successful in other areas of diversity as well. □



Sr. Teresa