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For Immediate Release

Women on Boards of Hospitals and Universities: The Inside Story

Philadelphia - March 10, 2020 – While national attention has been paid to the urgency of getting more women on for-profit boards to improve corporate governance, little notice has been paid to many of the largest nonprofits in the country – namely hospitals and universities – many of whose boards have failed to diversify.

A ground-breaking new national study reveals some of the hurdles women face getting onto the boards of nonprofit educational and healthcare institutions –“eds and meds” – as well as the barriers they face to serving effectively on them.

“The need to bridge the gender diversity gap at eds and meds is particularly important at a time when the constituents of these institutions (patients, students, and staff) are increasingly female,” said co-author Vicki Kramer, who was lead author of the seminal study – *Critical Mass on Corporate Boards: Why Three or More Women Enhance Governance*.

The new report – *Increasing Gender Diversity on the Boards of Nonprofit Eds and Meds: Why and How to Do It*, is based on in-depth, confidential interviews with 59 female ed and med board members and male and female institutional leaders (chairs and chief executives) in 14 states and the District of Columbia, representing every region of the United States. The interviews provide a rare inside look into the process of board selection and the experiences of women who have made their way onto predominantly male governing boards of colleges, universities, hospitals and healthcare systems.

Though the study focused on gender diversity, it found parallels between barriers to gender and racial diversity and it notes the impact of the combined barriers of gender and race for women of color.

“Women face substantial barriers to gaining board seats and to succeeding once elected,” the study found. It also determined that women face even more challenges with nonprofit eds and meds than with for-profit corporate boards. Barriers to women on these nonprofits can include requirements to contribute significant money or an unwieldy size. The findings call for strategies that are particularly relevant to these nonprofits.

The report recommends 10 strategies: They range from placing less emphasis on a candidate’s financial capacity to contribute, to changing recruiting practices, shrinking board size, and

creating separate fundraising boards. The report also emphasizes that making change requires leadership, intentionality, and a full board discussion of diversity.

The authors – Vicki Kramer and Carolyn Adams – both have deep experience in nonprofit governance and gender diversity issues. According to Adams: “Almost all interviewees agreed that board diversity adds value and that gender diversity matters, because women bring different life experiences to the boardroom.” Adams, who is Emeritus Professor and former Dean of the College of Liberal Arts at Temple University, added: “Besides bringing their individual expertise to boards, women are more likely to contemplate the impact of a board’s decisions on its constituents, including patients, students and staff, while also contributing to culture change, improved governance, and the decision-making process.”

Some key differences between nonprofit eds and meds boards and for-profit boards and the barriers highlighted in the in-depth interviews are:

- **FINANCIAL REQUIREMENTS:** Unlike the for-profit boards, where members are paid a stipend, nonprofits generally expect board members to make financial contributions to the institutions, sometimes sizeable. That can work to exclude or reduce the numbers of women who are considered.
- **WHO-YOU-KNOW RECRUITMENT STYLE:** Unlike for-profits, which regularly use search firms, nonprofits rely primarily on the board members to identify and recruit new members and are therefore limited by the largely white male social and business circles of the white male trustees.
- **BOARD SIZE:** Nonprofit boards are usually larger than corporate boards, which average 9 to 11 members. Excluding one board with over 85 members, the average board size of all the nonprofit boards studied was 29, and some had over 60 members. Though interviewees named a critical mass of 3 or more women in order to have an impact on corporate boards, interviewees cited 30% as the relevant minimum on the nonprofits, because of their generally greater size.
- **NOT BEING HEARD:** Even a critical mass does not necessarily lead to inclusion in nonprofit board debate and decision-making. On large boards, where committees do the real work and executive committees often make most decisions, exclusion from such power positions or appointments in small numbers can mute women’s voices and limit their opportunity to be of influence and value. On such boards, a surprising number of highly qualified women described themselves and other female colleagues as less likely than men to “take the floor.”

The report argues that nonprofit boards may need the kind of scrutiny and pressure corporate boards are facing, in order to take the steps necessary to make change. Since in the United States pressure on corporations has largely come from shareholders and, as the authors point out, nonprofits have no shareholders, they call on nonprofit stakeholders to exercise their influence. Chief among them are students and patients, employees (particularly faculty in the eds), alumni/ae and donors.

Two organizations have collaborated to publish the report. *Nonprofit Issues* has been a leading provider of news, programming and insight on nonprofit law and governance for more than 30

years. Its newsletter is written for nonprofit executives, directors, and their professional advisors, and covers “Nonprofit Law You Need To Know.” The Women’s Nonprofit Leadership Initiative (WNLI) works to increase significantly the percentage of women on the governing boards of nonprofit healthcare and higher education institutions and to expand women’s influence and formal leadership on these boards.

The report can be downloaded from both websites: www.nonprofitissues.com and www.wnli.org.

For a snapshot of gender disparity at eds and meds, see also “The Gender Gap in Nonprofit Boardrooms,” a statistical look at the boards of such institutions in the Philadelphia region - <https://www.wnli.org/studies>