



Developing Women Executives in the Medical Technology Industry Best Practices for Company Leadership

Preface: The Problem

Within life science companies, over the last five years women have consistently only held seventeen percent of senior management positions and thirty-four percent of middle management positions.¹

Even more, within the top nineteen MedTech firms, only thirty-three percent of general management and CEOs are female, and of that, fifty-seven percent work in academia or 'other' related avenues.²

The Board of Directors managing AdvaMed's affairs consists of forty-two Official Representatives of Active Members. Of that, only two Directors are female. Of AdvaMed's nearly three hundred Members, only four percent are chaired by female leaders. This lack of gender diversity in the Board room does not simply reflect an issue endemic to AdvaMed, but rather exposes a larger and more systemic problem.³

AdvaMed surveyed its membership in 2015. It found that women are prevented from attaining leadership positions within MedTech companies by social and environmental factors including prevalent business cultures, lack of access to development and leadership opportunities, and lack of access to social opportunities.

- 42% of survey respondents believe they've been held back from senior leadership positions
- 37% of Survey respondents reported that the #1 greatest obstacle holding women back from senior leadership positions is "glass ceiling/overt discrimination"
- 29% reported being held back by "lack of sponsorship in the company and feeling 'lost'"
- Significant additional factors include a lack of a support system, internal politics, lack of senior commitment to increasing female senior leadership #s, and double standards of expectations between men and women

¹ Anna K. Pettersson, et al., *The Progress of Women Executives in Pharmaceuticals and Biotechnology: A Leadership Benchmarking Study* Abstract, Healthcare Bus. Assoc. http://www.hbanet.org/sites/hba/files/docs/Research_Studies/EDGE-White-Paper-Abstract-v2.pdf (last visited Jul. 7, 2015).

² Jacques Bouwens, et al., *Board Governance; Multidimensional Diversity: Creating a Virtuous Circle in the healthcare Boardroom* Russell Reynolds Associates <http://www.russellreynolds.com/insights/thought-leadership/multidimensional-diversity-creating-a-virtuous-circle-in-the-healthcare-boardroom> (last visited Jul. 7, 2015).

³ *Gender Inequality and Women in the US Labor Force*, International Labour Org. http://www.ilo.org/washington/areas/gender-equality-in-the-workplace/WCMS_159496/lang--en/index.htm (last visited Jul. 7, 2015).



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I. Mission Statement

AdvaMed established its Women's Executive Network (WEN) to help promote and cultivate female executive leadership across the medical technology industry. WEN aims to integrate women leaders from member companies into AdvaMed's work and to support the medical technology industry as its companies emphasize elevating their women executives to senior leadership positions.

II. U.S. Workforce Statistics and the Importance of Gender Diversity

Gender in the U.S. Workforce Statistics:

- Women account for half of the U.S. labor force, and more women than men graduate with a bachelor's degree
- Women hold less than twenty-five percent of STEM jobs, and fewer than one in ten STEM professionals is a minority woman.⁴
- In the U.S., women only represent sixteen percent of corporate boards and fourteen percent of executive committees.⁵ The percentage of female Board chairs is only 3.1 percent.
- While making up forty-five percent of the S&P 500 labor force, women only hold less than five percent of CEO positions; less than twenty percent of board seats; twenty-five percent of executive and senior-level and manager positions; and less than thirty-seven percent of first and mid-level manager positions.⁶
- Women in leadership positions are often primarily in shared services roles rather than CEO and operational roles.⁷

Why It Matters

The underrepresentation of women within the MedTech industry stunts company growth and innovation by leaving unexplored corporate strategies and markets on the table and an untapped workforce.

According to landmark study "Women at the Wheel," "[v]enture-backed companies that include females as senior executives are more likely to succeed than companies with only men in charge"⁸ and "[w]omen-led private technology companies are more capital-efficient, achieving 35% higher return on investment, and, when venture-backed, bringing in 12% higher revenue than male-owned tech companies"⁹.

⁴ *Women, Minorities, and Persons with Disabilities in Science and Engineering: 2013*, Nat'l Center for Science and Eng. Stats, Nat'l Science Foundation (2013) http://www.nsf.gov/statistics/wmpd/2013/pdf/nsf13304_digest.pdf.

⁵ *Women Matter 2013*, *supra* note 3, at 7-8.

⁶ *Pyramid: Women in S&P 500 Companies*, Catalyst, Inc. (Apr. 3, 2015) <http://www.catalyst.org/knowledge/women-sp-500-companies>

⁷ Julia Dawson, et al., *The CS Gender 3000: Women in Senior Management*, Credit Suisse Research Institute, et al., pubs. (Sep. 22, 2014) <https://publications.credit-suisse.com/tasks/render/file/index.cfm?fileid=8128F3C0-99BC-22E6-838E2A5B1E4366DF>.

⁸ Jessica Canning, Maryam Haque and Yimeng Wang, *Women at the Wheel: Do Female Executives Drive Start-up Success?* Dow Jones (September 2012) http://www.goldenseeds.com/content/PDFs/WomenPE_report_final.pdf

⁹ Lesa Mitchell and Professor Vivek Wadhwa, *Women in Technology: Evolving, Ready to Save the World* (2013) as cited here: <https://medium.com/business-startup-development-and-more/women-led-startup-founders-transforming-the-world-and-inspiring-change-cfff427ec08a#h232had69>



What AdvaMed and MedTech Can Do

A sustainable solution can be achieved, not by either a top-down or bottom-up approach to changing the way women are perceived and promoted to leadership positions, but through the creation of a new cultural and social environment. The new system can be successful by valuing CEO commitment and individual development programs, formalizing review of key performance indicators, and being supported by an inclusive business culture welcoming diversity of leadership styles. To fully tap into the available women workforce, attention should simultaneously be paid to sponsoring and mentoring, networks, and to creating role models, in addition to training and coaching programs for both men and women.

The challenges facing the advancement of women to positions of leadership within companies are multidimensional. The proposed solutions are likewise multifaceted. Even though there is no singular solution, researchers have detected patterns and devised successful 'best practices' to promote female leadership. These 'best practices' aim at creating an inclusive corporate culture and implementing integrated programs for retention, recruitment, and improvement of leadership skills and morale.

Corporations' 'best practices' can be broken down in to four action areas:

1. Re-shape the strategic fabric and leadership by example
2. Establish and improve leadership and development programs
3. Increase opportunities and access to sponsorships, mentorships, and networking
4. Make your goals public then track, measure, and review progress and success
5. Institute formal HR policies to support diversity goals

The problems attributable to causing the gender gap also seem to fall into three interlocking categories:

1. Corporate culture
2. Access to personal and professional development programs
3. Access to sponsorships or mentorships.

III. Best Practice #1: Establish a Top Down Corporate Culture Promoting the Recruitment, Retention, And Elevation Of Women through a Corporate Mission Statement

The first step to help create a corporate culture that promotes inclusiveness is to incorporate the importance of diversity into the fabric of the organization. Reforming the company values, mission statement, and ethics to include diversity standards helps combat embedded mindsets and biases and ensures employees that diversity is a priority to the organization.¹⁰

An internal unpublished AdvaMed Survey of Member Companies showed that close to half of female respondents rated "glass ceiling /overt discrimination" as the most important obstacle holding women back from senior leadership positions. The survey also showed that lack of flexibility in the corporate environment was a contributing factor.¹¹

¹¹ When asked "In your view, what are obstacles holding women back from senior leadership positions (with '1' being the greatest obstacle), thirty-seven percent marked it as '1' and thirteen percent marked it '2.'" AdvaMed, Survey, *WEN Member Survey* (Jun. 2015) (unpublished).



Companies that emphasize teamwork and coordination have been associated with higher quality outcomes.¹² Likewise, increased diversity in leadership can lead to increased creativity and innovation.¹³

The CEO sets the tone for the company. The belief that diversity is a core value of the company is reinforced by having a visibly committed CEO that speaks to, follows up on, and tracks diversity measures.¹⁴ A CEO should make a compelling business case and lead by example to tackle mindsets. Diversity should be a core component to the success of the company.¹⁵ It also increases confidence in the company's dedication to the ability for women to progress,¹⁶ combats feelings of exclusion from the higher ranks, and can increase recruitment and retention rates of female employees.¹⁷

Given that leadership from the top is important to show dedication to employees, role models can likewise be used to promote the core values of the corporation and inspire a culture of inclusion.¹⁸ They can motivate employees and reinforce the concept that promotion to the higher levels of management is attainable. Although leadership by example may be successful in creating an inclusive corporate culture, to reduce the gender gap, it must also be met with structural and social changes.

IV. Best Practice #2: Create and Improve Personal And Professional Development Programs That Give Women the Tools They Need to Progress To Higher Level Positions

Men are ten percent more likely to ask for raises and twenty percent more likely to ask for a promotion.¹⁹ Reports show that a majority of women lack confidence in their own abilities, or in their ability to clearly communicate either their confidence or their successes.²⁰ Instead, women tend to choose to let their work speak for itself, believing they will be promoted on merit.²¹ This problem becomes compounded with the evidence that their male counterparts tend to be overconfident and more vocal in seeking jobs or promotions.²²

¹² See Theodora Zachariadou, et al., *Organizational Culture in the Primary Healthcare setting of Cyprus*, BMC Health Services Research (Mar. 24, 2013) available at: <http://www.biomedcentral.com/1472-6963/13/112>

¹³ *2015 Women in Manufacturing Study: Exploring the Gender Gap*, Deloitte Consulting LLP, et al. (2015) <http://www2.deloitte.com/content/dam/Deloitte/us/Documents/manufacturing/us-mfg-women-in-manufacturing-2015-study.pdf>.

¹⁴ *Women in manufacturing*, supra note 34.

¹⁵ *Ingraining Diversity & Inclusion in Your Company's culture, values and ethics*, Diversity Best Practices, Bonnier Corporation (2014) <http://www.diversitybestpractices.com/news-articles/ingraining-diversity-inclusion-your-companys-culture-values-and-ethics>.

¹⁶ *Women Matter 2012*, supra note 10.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *The CS Gender 3000*, supra note 7, at 39.

²⁰ *The CS Gender 3000*, supra note 7..

²¹ *Women Matter 2012*, supra note 10.

²² Gita Patel, FCA, *Gender Difference in leadership styles and the impact within corporate boards*, Commonwealth Secretariat, Social Transformation Programmes Division, Commonwealth Parliamentary Association Secretariat, UK (Jun. 2013) <http://www.cpahq.org/cpahq/cpadocs/Genderdiffe.pdf>



Training and development programs are investments not only in employees but also in the company. Diversity trainings allow employees to build healthy relationships by addressing gender bias head-on and trains employees on the benefits of gender diverse leadership teams and organizations.²³ By reinforcing the core corporate values of inclusion training encourages employees to let go of unwitting biases. In doing so, companies can change the informal corporate culture of the organization.²⁴

Leadership skills and development classes will also build women's confidence levels in their abilities, encourage them to seek advancement, and decrease the gender gap. Although these programs should be tailored to help organizations meet their specific targets, research has shown that including men in trainings or development programs is key to reducing unconscious biases, raising the momentum, and increasing awareness of women specific issues.²⁵

Although development programs have been put in place by my organizations, there remain implementation problems and the majority have not yet proven successful. Only those that are visibly supported by leadership and the corporate environment have thrived.²⁶

V. Best Practice #3: Create Opportunities for Women to Access Sponsorships, Mentorships, And Networking Opportunities

A majority of responders to the AdvaMed survey responded that that the lack of sponsorship from within their company was an important obstacle to their advancement.²⁷ Studies have shown that although women frequently have more mentors than their male counterparts, they have fewer sponsors with the ability to advocate on their behalf or in positions of influence.²⁸

Formal mentorship, informal mentorship, and sponsorship have been rated among the top three impactful programs an organization can implement to attract and retain female workers.²⁹ It provides women with the opportunity to learn by example, increase their confidence, receive constructive feedback, and have additional advocates for career advancement and promotion.

A sponsor is an individual that takes responsibility for another's development and professional progression in addition to mentoring or coaching duties.³⁰ They encourage their sponsees and actively drive their advancement by opening doors, setting goals, and providing feedback.³¹ Organizations can implement mentoring programs by creating independent matching programs and training both the mentors and mentees on what to expect.³² While mentoring or coaching is important, as noted previously, some believe that women are over-mentored and under-sponsored and to reduce the gender gap, organizations need to promote more sponsorship.

²³ *Women in manufacturing*, supra note 34.

²⁴ <http://smallbusiness.chron.com/training-workplace-diversity-3026.html>

²⁵ *Women Matter 2012*, supra note 10.

²⁶ *Women Matter 2013*, supra note 3, at 6.

²⁷ AdvaMed, Survey, *WEN Member Survey* (Jun. 2015) (unpublished).

²⁸ *Women Matter 2012*, supra note 10.

²⁹ *Women in manufacturing*, supra note 34.

³⁰ *Women in manufacturing*, supra note 34.

³¹ Gael O'Brien, *Women Advancing to the C-Suite: Why So Difficult*, *Business Ethics – The Magazine of Corporate*

Responsibility (May 31, 2012) <http://business-ethics.com/2012/05/31/9723-women-advancing-to-the-c-suite-why-so-difficult/>

³² *Women Matter 2012*, supra note 10.



Encouraging networking opportunities is equally as important to the effort to reduce the gender gap. These events provide a system for executive women to meet regularly and act as a conduit for information to flow throughout the organization. They promote visibility of successful women, and bolster confidence levels of women.³³ Networking offers the opportunity for training and can be flexible to meet different schedules. The AdvaMed survey and other studies also agree that it is equally important to make men available for networking.³⁴ This shows support for the program, allows the building of relationships in a secure setting, and may help counter any unconscious or conscious biases.³⁵

Informal Mentorships

Encourage employees to seek out informal mentors internal and external to the company and industry where they can receive advice, champion opportunities, and help in career strategies for progression and promotion. Ensure employees are also encouraged to take advantage of training opportunities within and outside of the company for growth.

Formal Mentorships

Link experienced company and industry professionals with less experienced employees to foster career development and provide feedback for professional growth. Require regular meetings, have mentees identify actionable goals with their mentors and track progress towards these goals. Mentors should not manage the mentee formally and should be from a team outside of their own.

VI. Best Practice #4: Set Public Targets, Track, and Measure

It is a long-standing business truth that “what is measured is achieved.” Studies do show that knowing the numbers is essential to determining where companies are losing women and how to prevent these occurrences. Set clear targets at every level to increase the company’s ability to adapt procedures to conform to the core strategic goals of the company and the commitment of the leadership to promote diversity.³⁶ Establishing diversity goals and making these public promotes a culture that fosters gender diversity and encourages women and their beliefs that they will be able to advance as these goals continue to be met.

Be sure to include gender-diversity indications in performance reviews, create gender specific hiring goals and programs, establish a process for removing bias in hiring processes, and require gender quotas throughout hiring, retaining, promoting and developing current and prospective employees.³⁷

³³ *Women Matter 2012*, *supra* note 10.

³⁴ AdvaMed, Survey, *WEN Member Survey* (Jun. 2015) (unpublished).

³⁵ *Women Matter 2012*, *supra* note 10.

³⁶ Anna Beninger & Jennifer Rineer, *Advancing Women in Tech-Intensive Industries: Transforming Organizational Cultures*, Catalyst Inc., (May 5, 2015) available at <http://www.catalyst.org/knowledge/advancing-women-tech-intensive-industries-transforming-organizational-cultures>.

³⁷ *Id.*



VII. Best Practice #5: Institute Employment Policies Support Diversity Goals

Whether it is for the caring of children, elderly parents, or another family member with health issues, flexible work arrangements are critical to allow employees equal opportunities for career advancement. Ensure that the option for flexible employee work schedules is not only formalized and built into HR policies, but that it is informally not penalized. Implement processes that overcome gender bias in recruitment and promotion. Promote career flexibility and evaluate the current effectiveness of scheduling meetings during business hours, especially for employees working across remote and global teams.³⁸

Encourage work-life balance through flexible work programs. This has been tagged as an essential component of promoting diversity and work-life balance. It is found as well that men are just as likely to use certain types of these arrangements as women.³⁹ Simply instituting these policies has not proven sufficient to reduce the gender gap. They can be successful however, when fully implemented.

One way to ensure policies are implemented is through developmental training programs to remove unknown bias from top to bottom. Women facing double burdens, or merely perceived as such based on an unconscious or overt bias of managers, can be passed over for more mission critical or international projects, which lead towards greater opportunities for promotion.⁴⁰

For employees who are remote or who have to travel for work, establish reimbursement policies for child care and hotel expenses.

Examples on flexibility in the work place include the following:⁴¹

- **Netflix:** Netflix offers expanded maternity and paternity leave: Netflix announced on the day that its shares in the company rose to a new high, that it is instituting unlimited leave policy for new mothers and fathers for the first year after the birth or adoption of a child. “Netflix’s continued success hinges on us competing for and keeping the most talented individuals in their field,” Tawni Cranz, chief talent officer at Netflix.
- **Twitter:** offers 20 weeks of paid maternity leave, and 10 weeks of paid paternity leaves.
- **Facebook:** offers four months paid leave for both mother and father and \$4,000 for each child, in addition to subsidizing day care, programs for adoption, and egg freezing.
- **Google:** offers 18 weeks, explaining that “after the extension, the company found that returning mothers left Google at half the rate they were previously, said Roya Soleimani, a company spokeswoman.
- **Patagonia:** provides on-site child care for all employees. 100% of the women who have had children at Patagonia over the past five years have returned to work. Such retention

³⁸ *Women Matter 2012, supra* note 10.

³⁹ Anna Beninger, *Flexibility at Work-What’s Really Going On?* Catalyst Inc (Jul. 8, 2013)

<http://www.catalyst.org/blog/catalyzing/flexibility-work-whats-really-going> (last visited Jul. 7, 2015).

⁴¹ Emily Steel, *Netflix Offers Expanded Maternity and Paternity Leave*, NYTimes.com, (Aug. 4, 2015)

http://www.nytimes.com/2015/08/05/business/netflix-offers-expanded-maternity-and-paternity-leave.html?_r=1.

⁴³ Jenny Anderson, *This is what work-life balance looks like at a company with 100% retention of moms*, QZ.com (Oct 16, 2016) <https://qz.com/806516/the-secret-to-patagonias-success-keeping-moms-and-onsite-child-care-and-paid-parental-leave/>



has allowed for Patagonia to retain talent and 50% of its managers are women, and 50% of senior leaders are women.⁴³

Re-entering programs:

Women who are high achieving, educated, and willing to work are trying to return to the workforce after a break and face many difficulties, including a time gap in their resume. JPMorgan and other firms have started re-entry programs. “After career breaks averaging two and a half years, 89 percent said they wanted to return, the study found. But only 40 percent managed to find what they regarded as a good full-time job in the sector of their choice.”

Using Big Data:

Big data solutions are beginning to emerge in the fight for gender diversity and equality across corporate America. While Gallup, Kenexa (IBM), Towers Watson, and many others offer traditional solutions, a new breed of solutions is coming. “Real-time survey providers like [CultureAmp](#), [BlackbookHR](#), [TinyHR](#), and [RoundPegg](#), let you assess engagement and culture fit in real time. Companies like [Evolv](#), Deloitte, and IBM now have retention analytics models you can implement. And a variety of exciting tools from companies like [Good.co](#), [Evolv](#), [Entelo](#), [Orgstars](#), [Glassdoor](#), and others let you monitor employee “happiness” through their online behavior. These companies are marrying the old-fashioned world of I/O psychology with the new world of Big Data and social networking.”⁴²

Remote Work Opportunities

When appropriate and necessary, allow employees with the opportunity to telecommute while also ensuring remote employees understand telecommuting is a privilege handled on a case-by-case basis and reviewed and revisited over time.

⁴² Josh Bersin, *Why Companies Fail to Engage Today's Workforce: The Overwhelmed Employee* (Mar. 15, 2014) <http://www.forbes.com/sites/joshbersin/2014/03/15/why-companies-fail-to-engage-todays-workforce-the-overwhelmed-employee/>.