

# Women leaders in health

Nearly two-thirds of all NHS finance staff are women, but at the most senior level they account for just over a quarter of finance directors. An FFF/HFMA roundtable set out to discuss why and what might be done to improve the gender balance. Steve Brown reports

Women dominate the NHS workforce, representing more than 77% of staff. And it is a position that is mirrored in the NHS finance function, where latest figures suggest that women account for 62% of all finance staff.

However, the gender split is very different at the most senior levels within the service. According to NHS Employers' estimates, just 41% of chief executives are women. And in finance, the position is even worse, with just 26% of finance directors being women (see figures page 28).

The HFMA, working with Future-Focused Finance, convened a roundtable event in November, bringing together women and men with a specific interest in the subject to discuss what might be done to deliver a better representation of women at the top of the finance function.

Sue Jacques, former finance director and now chief executive of County Durham and Darlington NHS Foundation Trust, said the finance function was not alone in facing a gender imbalance at the most senior levels – and nor was this a UK-only problem. However, there was a real opportunity to effect change.

'We have a unique network in the HFMA that enables us to act collectively if we can identify the right actions,' she said. 'And FFF, as part of its 'Great place to work' work stream, has already built up great momentum on plans to transform the function. In particular, this is looking to ensure finance departments provide excellent working environments and that finance staff are supported in developing their careers. Supporting women so that they make the most of their careers and the NHS benefits from their talents is a key part of this.'

There was recognition that the issue was not specific to NHS finance. Other statistics show women only hold 40% of NHS board



positions and this is higher than in the private sector. It was recently announced that FTSE100 companies had achieved a voluntary target by exceeding 25% of board positions filled by women, although much of this was achieved through non-executive appointments. Nonetheless, Ms Jacques said the NHS figures were compelling.

Delegates agreed that the current imbalance meant the NHS was missing out. Research suggests that greater gender balance in senior roles improves financial and operational performance. Some commentators believe better balanced leadership could support changes in culture needed to underpin reform.

In summary, there was a consensus that the NHS would benefit from a better gender balance at the most senior level and that something was happening to deter or prevent some women from seeking these roles.

Jennifer Howells, NHS England regional

finance director for the south, said there was no value judgement on current managers, but the statistics were simple and clear. 'Given that more than 50% of NHS staff are women, more than 50% of the finance function are women and around 50% of the qualified accountants in the NHS are women, the fact that we don't have at least 50% of our senior leaders as women means we are losing, or possibly not attracting, some of the best people for the job,' she said.

There was agreement that improvements in gender balance at the most senior levels needed to be taken forward alongside improvements in diversity more generally. Senior finance post holders should better reflect the populations they serve in terms of black and ethnic minority representation as well as gender. However, it was agreed that there was value in understanding any specific issues that might be hindering the appointment of women to senior finance roles.

'Research has shown that if a job is advertised and a man thinks he can do 60% of what is required, he will apply. But a woman who thinks she can do 90% of what is needed won't apply, because she doesn't think she has all the right skills,' said Ms Jacques, who recently attended



## Roundtable participants (l-r)

- Jo Spear, national officer, Managers in Partnership
- Jane Tomkinson, chief executive, Liverpool Heart and Chest Hospital NHS FT
- Roger Kline, research fellow, Middlesex University Business School and director, NHS Workforce Race Equality Standard
- Cathy Kennedy, deputy chief executive, North East Lincolnshire CCG
- Rebecca Edwards, former management accountant, Chesterfield Royal Hospital NHS FT
- Caroline Barnwell, finance lead for financial strategy and allocations, NHS England
- Sheree Axon, director of organisational change and programme delivery, NHS England
- Sue Jacques, chief executive, County Durham and Darlington NHS FT
- Sam Sherrington, nurse leader at Trafford CCG and FFF stakeholder lead
- Audrey Fearing, partner, EY
- Stephen Eames, chief executive of the Mid Yorkshire Hospitals NHST
- Jennifer Howells, regional finance director for the South, NHS England
- Claire Yarwood, director of finance, Tameside Hospital NHS FT
- Sue Lorimer (HFMA president), North of England business director, NHS TDA

an HFMA US conference on women finance leaders. 'There is also a lot of research that says that success is as much correlated with confidence as it is with competence.'

### Confidence is critical

Claire Yarwood, director of finance of Tameside Hospital NHS Foundation Trust, underlined the point. Having worked with prospective finance directors ahead of creating clinical commissioning groups in Greater Manchester, confidence was a key issue with many potential women candidates. 'Some needed persuading that they could achieve this level,' she said.

HFMA president Sue Lorimer, North of England business director for the NHS Trust Development Authority, said there was a need to understand at what point in their careers some women lost the ambition to push for the top jobs or felt these roles were unattainable. 'We need to work out what we can do so they are as ambitious as they possibly can be and are helped to realise those ambitions,' she said.

The perception of the finance director role was seen as one potential stumbling block. There is a view that the role is 'always on', often demanding 60- to 70-hour weeks and diaries full weeks in advance. Burnout in colleagues and the level of personal responsibility often taken by or imposed on finance directors – heightened in the current difficult financial environment – also contribute to putting people off.

While the perceived demands of the jobs could deter men and women, Jo Spear, national

officer for union Managers in Partnership, thought it might hit women harder. 'Women with children often still feel it is their personal responsibility to see their children safely into school,' she said. As a result, flexible working and childcare arrangements remain big issues for women – especially given that school start and finish times are typically incompatible with long, inflexible office hours. With a lack of work flexibility, she said, some women felt they had to choose between family and career.

Mrs Yarwood said that having spent an extended period off work sick herself, a good work-life balance was now a non-negotiable part of her role – and should be for all men and women in the finance function. 'When I came back to work, I tried to influence my organisation on work-life balance, but mostly I

have taken ownership of it for myself and taken positive steps to create a balance for me,' she said. 'I now work flexibly and I'm keen to apply it to my whole team.'

She wondered whether the problems with the perception of the most senior jobs might start below director level. 'The deputy role might contribute to the ceiling,' she said, referring to their often heavy workload. 'If you don't ensure the deputy has a good work-life balance, their perception (and that of those below them) is that it will be the same or worse as finance director. It is possible that seeing the deputy role puts people off aspiring to be finance director.'

Cathy Kennedy, deputy chief executive at North East Lincolnshire Clinical Commissioning Group, said the whole deputy director structure may need examination. She leads the 'Great place to work' work stream as part of the Future-Focused Finance initiative, which aims to define the characteristics needed to be finance leaders and to understand how career paths might look in the modern NHS finance structure. 'It is a wider issue, but is our traditional structure of one deputy below a director really the best?' she asked. 'Are we looking for skills and attributes in deputies that aren't what you would necessarily look for in a finance director?'

This can have knock-on implications. 'For example, the classic deputy who runs the internal organisation and makes everything happen on time is then expected to slip into an externally-focused system management role,' she added, even though they may not be suited for this role change. 'Perhaps there is someone below them with the right strategic attributes who can't be appointed finance director because they haven't been deputy.'

### Flexible working

Attendees suggested part of the response to these issues needed to be around providing greater flexibility in working arrangements and developing more of a team approach to



Claire Yarwood (left) and Caroline Barnwell





**Top: Audrey Fearing and Stephen Eames Above: Cathy Kennedy and Jane Tomkinson**

delivering the finance department's outputs. And Ms Jacques suggested that organisations that were not offering flexible working to help retain staff were missing out.

Jane Tomkinson, chief executive of Liverpool Heart and Chest Hospital NHS Foundation Trust and the inaugural winner of the HFMA Finance Director of the Year Award in 2007, said flexibility was increasingly being offered by switched-on organisations – and not just to accommodate women. 'In my organisation, we have conversations around the needs of staff for childcare or care of elderly dependents. Some staff work at home some days, start late or get extra support during school holidays.'

She said the service should move away from a narrow focus on inputs – time in the office, for example – and look at the outputs. Organisations needed a culture of supporting flexible working as it was in their interests. And this culture and support needed to be more visible. However, others pointed out that the ability to work flexibly often reduced as people rose up the management structure.



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**Claire Yarwood**

Rebecca Edwards was a senior management accountant at Chesterfield Royal Hospital NHS Foundation Trust, but after finding it difficult to combine her professional role with looking after young children at home, she gave up her job. She continues to feel well connected to the NHS finance family and is a value maker with FFE, but work-life balance is a key consideration.

'I don't lack confidence and I still aspire to be a finance director, but I can't see it happening,' she said. This was despite her employer being very flexible in how she could work and dropping her role to three days a week.

She was also sponsored by senior colleagues – a formal or informal arrangement where

senior leaders 'look out for' specific individuals, promoting their interests, giving protection and supporting their career progress. 'I had great sponsorship and I was mentored and coached, but none of it made a difference in terms of the work-life balance I wanted,' she said.

Ms Edwards said the idea of stepping up a further level given the challenges she had with her existing work-life balance was unthinkable. 'I just see around me finance directors and chief executives working ridiculously long hours and with diaries full for two months in advance. If there are senior leaders who do work flexibly, I don't know about them.'

The attendees agreed the NHS needed a culture where appropriate flexible working was promoted as the norm – at all levels including the most senior. Sam Sherrington, nurse leader at Trafford Clinical Commissioning Group and head of stakeholder and cultural transformation for Future-Focused Finance, said the service still had hang-ups about 'presenteeism'. 'There is sometimes an attitude of "if you aren't there, then what are you doing?"', she said. 'I've gone part time this year for the first time in my career and it has been suggested to me that I am just a bit less committed. Some people view part-time working or flexible working as a lack of commitment. But if we don't get work-life balance and wellbeing right, it can have a big impact on people personally and professionally – and that is not gender specific.'

Ms Lorimer acknowledged that there was still an 'old-fashioned element' in the finance director community. 'They don't like flexible working because they didn't have it, and see starting at seven and finishing at seven as the definition of good work,' she said. 'We need to find ways of challenging that, because if people in structures beneath them are aware of this, then they have nowhere to go.'

Where there is good practice on flexible working, it needs to spread. There was agreement that culture needed to change so that flexible working practices were normalised and people using flexible approaches were not regarded as receiving special treatment.

'It is about how the NHS values people's commitments in their personal lives,' said Ms Howells. 'People have their diaries planned for months in advance, but if the secretary of state called they would drop everything to accommodate him.'

'But important personal commitments are not always recognised as having the same value. People juggle all sorts of jobs and priorities, and should feel okay to say: "I've got a really important personal commitment". We need everybody to value work-life balance.'

Stephen Eames, chief executive of the Mid Yorkshire Hospitals NHS Trust, said flexibility



was increasingly important to retain and attract both men and women to senior jobs, particularly in the current climate. ‘Some jobs are so demanding, requiring people to work out of hours and at weekends,’ he said. ‘But many of these roles can, at least in part, be done flexibly – for example, people staying in touch with work from home.’

This was vital to counteracting growing burnout in senior managers, he said. ‘The demand isn’t going to change, so we need to manage in a different way and we need teams to be understanding and supportive of different approaches.’

Sue Jacques added that managing demands as a team rather than as individuals – sharing responsibilities – would support greater flexibility and help to provide important development opportunities for managers.

### Role models needed

The need for role models more generally was stressed by several delegates. Ms Tomkinson said other disciplines faced similar challenges and had identified the same need. Just a small proportion of cardiac surgeons are women, for example, she said. ‘The fundamental issues for women doctors were the lack of strong role models, the lack of access to them and the lack

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Jane Tomkinson

of sponsorship for would-be women surgeons by senior male colleagues.’ Career progression was often more about ‘who you knew’ than about how competent you were, she added.

She said there were already role models for women finance leaders, women who had reached the top levels of the profession and found a balance between work and home life. But she accepted more could and should be done to increase their visibility and to share their experiences and any flexible working practices that helped them.

As more women take on the most senior roles, colleagues would be encouraged to aspire to these roles, creating a virtuous circle, said Ms Tomkinson. ‘Things have changed in NHS finance over recent years,’ she said. ‘Sue Lorimer is the fourth woman to lead the profession as HFMA chair or president and will be succeeded

by Shahana Khan in December. However, it will take time before these changes permeate through the system.’

Consultancy EY has put a big focus on developing a culture that sees flexible working as normal. Partner Audrey Fearing explained that all partners are required to promote flexible working and demonstrate this through their own practice. This involves running open diaries, including where time is taken off for personal commitments. ‘I need to demonstrate to my team that this is okay for me and it is okay for them,’ she said. ‘If you haven’t got role models at the top, it will be a really slow burn.’

The organisation also looks to support diversity in senior leadership by creating story boards of partners’ career paths – demonstrating a range of diverse backgrounds. ‘We’ve made videos or blogs, too, explaining how we got to where we are, outside interests and what is important for us,’ she added. ‘This has helped our senior managers to see the art of the possible and that we are from the same backgrounds as them.’

There was agreement that the current under-representation of women at senior levels could not be left to fix itself and the service should look to force the pace of change. A report, *Women in the workplace 2015* by McKinsey and LeanIn.Org, suggests that, based on the slow progress in the US over the past three years, it would take 100 years to reach gender parity in the C-suite (chief officer ranks). It identifies steps to promoting gender equality:

- Track the key metrics so you understand the problem
- Show that gender diversity is a top priority
- Identify and interrupt gender bias
- Rethink work
- Create a level playing field.

Delegates endorsed these high-level actions but saw two as priorities – demonstrating senior genuine commitment to gender diversity and creating a level playing field.

### Sponsorship opportunity

Again leaning on US experience, Ms Jacques suggested that sponsorship should be one of the actions explored by the NHS and the finance function. This is where senior leaders ‘look out for’ specific individuals – promoting their interests, providing protection and supporting their career progress.

‘It is not a familiar concept in the UK, though it probably exists informally across the NHS,’ said Ms Jacques. Experience in the US suggested people with sponsors progressed further than those without, and that women with sponsors were more likely to succeed, she added.

Ms Jacques said she had personally benefited from informal sponsorship, but getting the



Top I-r: Sue Jacques and Sue Lorimer Bottom I-r: Jo Spear and Rebecca Edwards





practice more widely used and formalised would reap rewards. Mr Eames said sponsorship relied on spotting talent in need of support, and this called for a systematic approach to talent management, which could present difficulties.

Ms Spear believed talent-spotting was open to covert bias. ‘We all have a tendency to look for a mirror image,’ she said. ‘But we need to ensure that management programmes are accessible to different types of people – extroverts and introverts, for example.’

Mr Eames agreed, insisting that ‘bias gets in the way’ of good decision-making and that leaders needed to be ‘gender blind’ as the point was to get the best talent and performance for the organisation.

Sheree Axon, director of organisational change and programme delivery at NHS England, agreed that targeting talented individuals with development and support made sense, but support should be provided for women across the whole function and particularly in non-management grades.

‘There are a whole group of women who have never received any development – sometimes working their whole careers with no training or direct support,’ she said. ‘There is huge talent and commitment at band 7 and below – and they typically don’t get the opportunity for sponsorship or talent management programmes.’

Ms Axon suggested that the well-established Springboard women’s development programme could usefully be targeted at women across the NHS finance function. With a tried and tested format delivered widely across the public and private sectors and internationally, the programme helps women to improve networks, identify priorities and improve communication skills. ‘Supporting people to be the best they

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**Cathy Kennedy**

can be shouldn’t just be about the top jobs,’ she said. She suggested FFF or the HFMA might look to support the development of Springboard trainers or run programmes regionally.

EY has been using a structured approach to talent management for a couple of years, where senior executives are asked to sponsor talented individuals. ‘I was sceptical at first,’ said Ms Fearing. ‘I was asked to sponsor three women all identified as having talent and good ratings at their year-end reviews. I didn’t know them or work directly with them. My job was to coach and sponsor them and ensure they got the right roles going forward.’

‘I was uncomfortable at first – “If they underperform, what does that make me look like?” I thought. We had to spend time developing trust on both sides. But I’m a convert. Their positive reaction to the process and the difference I was able to make in terms of development opportunities and also challenging their approach has been incredibly rewarding for me personally.’

‘As an organisation, in just two years, we’ve seen a significant increase in promotion and retention within our sponsors.’

There was agreement among delegates that a more co-ordinated and overt approach to sponsorship would make sense. ‘For finance,

the sponsor wouldn’t necessarily need to be someone in the function – but they would need to be someone influential,’ said Ms Jacques.

**Board buy-in**

Getting high-level commitment to improved gender equality was a big talking point. ‘Unless the leadership is focused on diversity, you will get sub-optimal results,’ said Mr Eames. And everyone agreed this had to go beyond a box-ticking exercise and couldn’t just be something managed by the human resources team. ‘The board has got to do more than support diversity,’ said Ms Fearing. ‘It has to live it.’

Caroline Barnwell, finance lead for financial strategy and allocations at NHS England, is jointly leading a diverse leadership work stream for the Future-Focused Finance initiative. She undertook a review of literature and research on women in leadership to underpin the FFF work and said the research was clear on the value of diversity. It was also clear that organisation leaders had to really buy-in to better equality. ‘Diversity should be part of an organisation’s core values and be more than just a policy. It has to be embedded from the top down,’ she said.

Roger Kline, research fellow at Middlesex University Business School and director of the NHS Workforce Race Equality Standard, said improving race and gender equality shared challenges. ‘The research suggests you need a very clear vision at the top, measurable outcomes (with the emphasis very definitely on outcomes not process), accountability and transparency,’ he said. ‘If you have these things in place, you can make a difference.’

He said he was ‘hostile to the idea’ that an approach to ensuring diversity could be based around the ability of an individual to challenge a decision of a recruitment panel. Ms Kennedy agreed, saying an FFF survey showed diversity policies were widespread, but not necessarily indicative of having the right support mechanisms or behaviours in place. ‘If you feel you’ve faced discrimination or bias and you are pointed straight at the grievance procedure route by default, it has immediately become adversarial. This should be the last resort, not where we start,’ she said.

But how can boards live out their good intentions on diversity? Mr Kline said policing diversity should not be an individual’s responsibility. ‘We need to turn it around,’ he said. ‘The employer has the responsibility to recognise there are levels of disadvantage and there is not a level playing field.’

There are things that organisations can do, he said. Employers could make it clear to employment panels that there was an expectation that senior management would better reflect the staff and population. This

**The case in numbers**

The roundtable reviewed the latest data by Finance Skills Development and the HFMA as part of their biennial finance function census. The 2015 collection was undertaken over the summer and full analysis will be published in the new year, but delegates were given early data on the male-female split by Agenda for Change (AFC) band.

Women make up 62% of all finance staff. However, there is a clear trend of reducing numbers of women as you move up through the bands. At bands 1-4 (including junior non-AFC positions), women represent 74% of staff. This falls to 63% for bands 5-7 and 49% for bands 8a-9, culminating in just 26% of finance directors (out of a total of more than 470) being women.

Looking specifically at the individual bands, it is between bands 8b and 8c that the balance shifts in favour of men. At band 8b, women still represent more than half of staff (53%), but this falls to 46% of all band 8c staff. The decline continues – 40% at band 8d and 35% at band 9 (38% including very senior managers off the AFC scales).

Ms Jacques said the data was compelling and while improvements had been made, the pace of change was slow. A review of finance staff development and training in 2000 reported that women represented 18% of finance directors in 1998. More recent HFMA/FSD census figures showed this had risen to 21% in 2009, 23% in 2011 and 27% in 2013. The census figures for 2015 show a small percentage drop on this figure to 26%.



would stop short of involvement with individual appointments but it would be clear that over time a better balance should be achieved.

Organisations then had to get involved actively and monitor the position – how else could they ensure their intentions were being realised? NHS providers have to start this year demonstrating progress against a number of indicators of workforce race equality, including levels of BME people on the board. Mr Kline said this was an important step in ensuring employers took notice of and responsibility for the make-up of their senior management teams.

He said there were other examples of different approaches to organisations taking this responsibility and not simply taking a passive role to career progression. For example, as part of an ‘on-boarding’ programme, a group of trusts monitors staff against their own career goals and ambitions based on regular interviews. ‘The point is that if staff don’t achieve these milestones, someone wants to know why. The employer is taking responsibility and research suggests this kind of approach works,’ he added.

Ms Jacques said boards had to be clear about their intentions. ‘Organisations have to intend for this to happen, to see greater diversity as a good thing, and to actively make it happen rather than for it to happen in a haphazard way.’

There had to be different approaches at different levels, said Mr Eames – at the system level, as an organisational framework, and in supporting individuals. Mr Kline agreed but was uncertain about the value of targets being set across the whole NHS. ‘It works if organisations set targets themselves,’ he said, or they make it clear where they expect to see progress.

### Career paths

Ms Jacques added that there was also a potential role for the finance function in underpinning improvements in equality at senior levels, supporting individuals and organisations. Mrs Yarwood believed this was important, especially

given the different development opportunities and approaches to equality in different settings. ‘Getting the right finance people trained and moved around organisations to get skills and experience across a patch needs a more co-ordinated approach at the geographic level, tackling diversity and development at the same time,’ she said.

Ms Axon believed the fragmentation of the system meant people often didn’t know what their career path looked like anymore. In addition this meant they didn’t know what skills and experience they needed to be successful.

‘Our approach to talent management looks at performance but doesn’t talk to individuals about their aspirations and ambitions and about what their career path might look like,’ she said.

The approach to staff retention during reorganisations, while understandable and well-intentioned, acted as a barrier to change and to increased diversity, she added. ‘Every time we go through an organisational change, we make appointments from the pool of people at risk – so in a way we are just reappointing the same people. While this is right in terms of protecting jobs and mitigating the costs of

reorganisation, we miss the opportunity to bring in fresh talent.’

Ms Kennedy said the career path issue was part of what FFF was trying to tackle – work was in hand to describe what good finance leaders look like and the different experience and backgrounds that contribute to these qualities. This could help address organisations’ tendency to appoint similar candidates.

‘We need to challenge the stereotypes and perceived hierarchies – for example, that you can’t be an acute finance director if you haven’t worked in the acute sector,’ she said, adding that in the current financial environment, organisations tended to be more risk averse.

Ms Kennedy suggested that organisations may need support in understanding the real skill sets needed to be a financial leader and there could be a role for the profession here. ‘We may need to describe financial leaders in a different way, not just to finance staff but to chief executives and non-executive directors

who are making key appointment decisions,’ she said.

Ms Sherrington wondered if the profession could support the development of a formal women’s network.

She acknowledged that the HFMA already provided a good finance network, but was keen to explore if there was additional value in something specific for women, in finance or across different professions.

Summing up, Ms Jacques said that the finance function needed to demonstrate its absolute commitment to improving gender equality in its senior roles. This would involve a partnership of individuals, organisations, national bodies and the finance profession. ‘But we should establish our ambition, stating clearly what our markers for success should be. Then we should look to deliver these over a clearly agreed timescale.’



Top: Sam Sherrington Above l-r: Sheree Axon, Roger Kline and Jennifer Howells