

A Tool for Better Diversity

By Kristy Erdodi

A historic study creates benchmarks for reducing ethnic and cultural disparities.



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Many health care organizations want to overcome disparities by improving their diversity management, but they face considerable challenges. One of these is an inability to track their progress against standard benchmarks.

With its recently completed "State of Healthcare Diversity and Disparities: Benchmark Study," the American Hospital Association's Institute for Diversity in Health Management has provided much-needed benchmarks. The data gathered from this groundbreaking study is not only significant to diversity in health care but to the entire field.

Ethnic/Racial Composition of Leaders

Health care organizations finally have a point of reference for measuring advancements toward equality-achieving initiatives: the normative data compiled from the responses of 182 health care organizations nationwide. The organizations responded to a diversity-focused survey instrument developed in partnership with HR Solutions Inc., a Chicago-based human capital management consulting firm and diversity specialist; the study has been funded by a three-year grant from the ARAMARK Charitable Fund at the Vanguard Charitable Endowment Program.

Respondents' survey results were recently collected and compiled into one comprehensive database, which will continue to highlight opportunities for greater diversity in health care. One opportunity, for example, came to light in the composition of senior management teams and boards: Nearly 90 percent of people at the executive and board of trustees levels are white.

The institute has already begun taking advantage of opportunities presented. The institute and the American Hospital Association's Center for Healthcare Governance are sponsoring a special educational program, the Minority Trustee Training and Recruitment Program, to prepare and promote individuals from diverse backgrounds who are interested in serving on the boards of their local hospital or health system.

This program is designed to help hospitals identify qualified local talent and create boards that reflect the communities being served. It provides a one-day training program so that participants have a better understanding of the committee structures, the commitment inherent in being a trustee and the fiduciary responsibilities of hospital governance. A number of the institute's previously established initiatives, such as its educational programs, scholarships, summer internships and leadership conferences, are also geared toward promoting inclusion of diverse groups in leadership levels.

Along with revealing opportunities for improvement, the benchmark study discovered a selection of respondents already on their way to improvement—organizations with documented plans aimed at increasing minority representation in both internal governing and executive positions. The three most widely used methods for achieving plan goals included recruitment; retention and succession planning; and reservations of board, committee and executive seats for minorities.

Kevin Sheridan, CEO and founder of HR Solutions, offered insight on the importance of leadership placing a value on diversity: "What leader who hopes to be effective would not care to understand and *value* different cultures, people and every spectrum within all definitions of diversity?" he asked. "The bottom line is that those managers who are not valuing, appreciating and managing diversity are never going to achieve the same level of greatness in business outcomes as those leaders who are."

Another of the benchmark study's outcomes uncovered that the majority of the responding health care organizations had hired or promoted a female or minority for 55 percent of their executive-level vacancies in the past 12 months. Practices such as hiring and promoting qualified minorities for executive-level positions align directly with the institute's vision, which consists of establishing "leadership of health care institutions that reflects the ethnic, racial and cultural diversity of the communities they serve, resulting in the delivery of culturally competent health care to all constituent communities."

Financial Support for Diversity Initiatives

Research conducted by the institute found two key obstructions to high performance that organizations without internal diversity programs may face:

- Cultural barriers that may impede access to care for racial and ethnic minority populations at all socioeconomic levels if health care providers do not understand and respond to cultural and socioeconomic issues affecting the health of their patients.
- Linguistic barriers that result in decreased access to appropriate care, unnecessary testing, incorrect diagnoses, noncompliance with treatment protocols, medication errors, escalating sentinel events and increased costs.

Cultural and linguistic barriers were identified as having significant effects on patients' medical outcomes during the development of the benchmark study; hence, each barrier received its own section within the survey, and now both have existing benchmarks.

Budgetary constraints, which unfortunately have become tighter since the recession, can impede progress. Nevertheless, in the benchmark study, which began in September 2008 in the midst of the recession, 37 percent of organizations indicated they had an annual financial allocation toward achieving diversity and cultural competency goals. These organizations are a model for all health care organizations in overcoming certain budget-related barriers.

For the 2008 fiscal year, an average of \$424,152 was allotted to diversity and cultural competency initiatives in these organizations. Furthermore, 12 percent of them allocated more than \$1 million for such initiatives, and the most outstanding organizations in the group allocated \$5 million or more.

According to the institute, it is essential to recognize diversity as a priority requiring funding if diversity management initiatives are going to be successful. Even cost-effective approaches requiring relatively modest funding can assist in breaking down cultural and linguistic barriers.

Customer Service and Quality of Care

Aside from gathering staff-related diversity data, the benchmark study also collected extensive data on serving patient populations. For example, 53 percent of health care organizations answered "yes" to whether they have developed reliable measures designed to improve customer service and quality of care for diverse patient populations. One recurring theme among these respondents included the

development and implementation of patient satisfaction surveys.

"Patient satisfaction surveys are an instrumental component in monitoring a health care organization's quality of care in relation to costs and services," Sheridan said. "An effective patient satisfaction survey provides an organization with the data needed to understand patients' perceptions and expectations; this understanding can then be used to develop quality improvement programs, initiating positive outcomes in both customer service and quality of care."

Sheridan listed additional ways in which patient satisfaction surveys can impact diversity initiatives and create positive patient relations. When designed effectively, a patient satisfaction survey instrument:

- allows organizations to understand and identify the principal drivers to a diverse patient population's satisfaction, as well as the factors that lead that population to experience dissatisfaction; and
- provides a correlation of patient expectations in relation to a health care organization's diversity goals, objectives and strategies.

A wide range of research highlights the challenge of achieving high quality of care for diverse populations, since certain diseases affect various races and ethnicities differently. In the benchmark study's introduction, for example, respondents read how "diseases such as diabetes, obesity, heart disease, asthma and HIV/AIDS disproportionately impact racial and ethnic minorities." This quotation, from the Institute of Medicine, goes on to say, "Related studies show that racial and ethnic minorities with these diseases experience worse health outcomes and tend to receive lower quality care than their nonminority counterparts."

Limitless Opportunities for Progress

Although ethnic and racial composition of leaders, financial support, customer service and quality of care have been introduced with some key statistics from the benchmark study, they by no means illustrate the full picture of the findings. As the Institute for Diversity continues to uncover the study's layers, from lessons learned to opportunities for progress, disparities that have been overshadowed will be brought to light, progress-tracking opportunities will be opened and health care organizations will be empowered to make revolutionary advancements in diversity management.

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