CHAPTER 5

Gender Discrimination: Community Medical Center

CASE STUDY

Community Medical Center was a 200-bed acute care facility located in an affluent suburb of a major metropolitan area in the Midwest. The hospital was highly regarded in the community, especially for its obstetrics program and innovative birthing center, its ambulatory care program, and its geriatrics center. The hospital was supported by a large group practice of young, well-trained primary care physicians who occupied an adjacent medical office building owned by the hospital. Despite turmoil in healthcare delivery during the past ten years, Community Medical Center had remained financially strong. Indeed, it had prospered in an environment that had recently become dominated by managed care.

Community Medical Center was well positioned for such changes. Its financial stability, its strong primary care base, and its modern facilities predicted success. In addition, its location among rolling meadows and its proximity to an exclusive golf course made the hospital a desirable place of employment for professional and nonprofessional staff alike.

John Waverly had been the CEO of Community Medical Center for five years. After conducting a national search, the hospital’s governing board had aggressively recruited John, who at 42 years old had been an up-and-coming healthcare management organization executive on the West Coast. The board still congratulated itself on its foresight and wisdom. John was just what Community needed to make the hospital a major player in the then emerging managed care market. The hospital thrived under John’s leadership and compensated him well for his efforts. In addition, John continued to enjoy the favor of a governing board that, although conservative, remained supportive of his innovative management style. John was the envy
of his peers in other, more beleaguered healthcare institutions and, at age 47, he felt good about his professional achievements and status.

In retrospect, his decision to take the CEO position at Community Medical Center had been a good one. At the time of his recruitment, John had had major reservations about relocating to the Midwest, especially to the conservative community surrounding Community Medical Center. He hadn’t been sure his wife and children would easily adjust. Indeed, they had never fully embraced this community, a fact that continued to be a source of tension in John’s life.

In the beginning, John had also been uneasy about his credentials and unsure about how well his educational background would translate to the delivery side of healthcare. John knew he would have to work especially hard to compensate for his lack of hospital experience.

Six months ago, John hired a bright, ambitious postgraduate fellow from a prestigious university program in hospital administration. At the time, John was about to enter into discussions with two powerful healthcare financing and delivery systems nearby, both of which wanted Community Medical Center to become a part of their multihospital structure. John knew that these discussions and evaluations of any proposals they submitted would be time-consuming and would require a great deal of research and preparation. Having a capable postgraduate fellow on board to perform staff work appeared to be a win–win situation. The arrangement would provide both valuable experience for the fellow and a welcome resource for the organization. John especially liked the idea of working with someone who was well schooled in the latest academic trends in healthcare administration.

Over the past six months, the partnership proved to be as fruitful as expected. The CEO and his young protégée worked closely together for long hours and weekends, and Community Medical Center benefited greatly from their hard work. John and his protégée found themselves celebrating success after success. It was a most enjoyable partnership. She admired and respected John; he was flattered by her admiration. He found himself seeking out opportunities to spend more and more time with her. She began to accompany him to all his meetings, even those unrelated to her assigned projects. He looked for educational conferences in attractive locations, where the two of them enjoyed fine dining and upscale accommodations.

Now her fellowship was nearing its close, and she approached John about her future career plans. Her performance evaluations had been outstanding, as indeed had been her accomplishments. Community Medical Center had profited greatly from her efforts, and she fully expected to be awarded a permanent position. After all, many of her peers had already received job offers from their fellowship organizations even though they had no significant accomplishments to report from their fellowship experiences. John had been an outstanding mentor, and her admiration and respect for him bordered on hero worship.
John was not unprepared for this discussion. After much thought, he had decided it would not be prudent for him to offer her a position at Community Medical Center. He candidly explained the situation to her. Her performance had been outstanding, many had noted her professionalism, and she was a brilliant strategist. But, he said, he was personally attracted to her and he felt this attraction was reciprocated. He believed that if they continued to spend time together, this attraction would escalate to a physical relationship. He offered to help her in her job search by providing impeccable references and contacting his colleagues in progressive, innovative organizations where her talents would be showcased.

She was astonished and humiliated. In view of her accomplishments and her close working relationship with John, she assumed a position was a given. She felt used and betrayed. Angry, she said this treatment constituted nothing other than sexual harassment. John believed this remark was an idle threat and that reason would overcome her emotional outburst.

The following day, John received a phone call from a member of the governing board informing him that an executive session of the board had been scheduled to discuss “this appalling situation” and the action that should be taken to avert a lawsuit. He told John to be prepared to respond to the allegations at this meeting, and if they were accurate, he should consider resigning to spare the hospital any adverse publicity.

John was surprised by the call and by the tone of the conversation, but he felt confident that he had done nothing wrong. In fact, he believed he had honestly appraised the potential dangers of his relationship with the fellow and had avoided any misconduct. He believed his actions had been in the best interests of the organization and that the governing board would agree.

ETHICS ISSUES

Legal implications: Do John’s actions in this situation constitute sexual harassment? If so, are John and the hospital both liable for his actions? Could this situation be viewed as a case of gender discrimination? Does it matter?

Adherence to the organization’s mission statement, ethical standards, and values statement: Are John’s actions in this situation consistent with the hospital’s ethical standards and values?

Adherence to professional codes of ethical conduct: Is John’s conduct in this situation consistent with the professional codes of ethics as promulgated by the professional organizations representing healthcare executives and hospitals?

Organizational implications: Have organizational resources been used prudently? Has this situation, including John’s actions specifically, had any effect on other
employees in the organization? Have the image and reputation of the organization been affected by this situation? How significant an impact might this situation have on the operations and success of the organization? Are there financial implications to John’s actions?

**Leadership responsibilities:** Was John’s conduct in this situation consistent with the role and responsibility inherent in the position of CEO of a healthcare organization?

**Expectations of a mentorship program:** What are the role and responsibilities of a mentor? Of a protégé? On completion of a postgraduate fellowship, what can each of the participants expect to have achieved? In this case, has the postgraduate fellowship met or failed its expectations?

**Justice and fairness:** Has the postgraduate fellow in this case been treated fairly? Is John being treated fairly by the governing board, considering his candor and honesty regarding the situation?

**Community values:** Has John taken sufficient consideration of community standards and values into account? What about the board, when identifying their expectations of the CEO and the needs of his family? When new staff members are recruited to a community, how important are the standards and expectations that the community may have for its professionals?

**DISCUSSION**

**Legal Implications**

The fundamental question in this case may well be: Did John, in fact, do anything wrong? Formal allegations of sexual harassment may be forthcoming. Do John’s actions here constitute sexual harassment? John would vehemently deny any explicit or implicit actions or expressions that would suggest sexual harassment. He admits to his attraction to the fellow but insists that the long hours worked together, the meetings, and the out-of-town conferences were work related and that she was never coerced to spend this time with him. Indeed, he would argue that she seemed to be attracted to him and, in fact, to have encouraged his attentions with frequent flattery and expressions of gratitude for the time and effort he was putting into her fellowship experience.

Some might argue that John’s superior position as CEO gives him a power advantage that “implies” coercion, overt or not. But if John and his protégée both willingly and actively participated in this relationship, does that not imply acceptable activity between two consenting adults? And as such, would this relationship not be consistent with prevailing societal norms and therefore lack coercion?
If John is not guilty of sexual harassment, then perhaps he is guilty of sexual misconduct. However, John and the fellow did not engage in any sexual or physical activity. In fact, no expression of desire or intimacy was involved. To himself, John would admit flirtation, but nothing more. Is attraction not acted on a form of sexual misconduct—adultery of the heart, so to speak, as admitted publicly by former president Jimmy Carter? Some religious beliefs delineate clearly between desire or intention and action. These beliefs suggest that the action is what is “sinful,” and if the “evil” desires are overcome by will and hence not acted on, such behavior may be considered virtuous. In this case, John chose not to take the relationship to the next level—assuming that the choice was his alone to make, that is.

Or is this gender discrimination? Would this postgraduate fellow have been offered a position with the organization if she had been a man? High-performing postgraduate fellows are not guaranteed a position on completion of the fellowship, but offering a position is a common practice among healthcare organizations. An American College of Healthcare Executives (ACHE) study found that 63 percent of postgraduate fellows surveyed were offered a position following their fellowship (ACHE 2010). However, 90 percent of the postgraduate fellowship group surveyed expected to be offered a position. While healthcare executives will admit that postgraduate fellowships are a great source of new talent for an organization, mentors are wise to clearly state at the outset that there is no guarantee a position with the organization will be offered at the end of the fellowship.

Were there financial improprieties in this situation? Were the out-of-state conferences necessary, or were they merely boondoggles? Is it wrong to consider these conferences in upscale locations as a well-deserved and appropriate reward for high-performing staff who may be putting in long hours in uncompensated or lowly compensated positions, especially when conferences are infrequent and have educational merit?

Is John’s conduct in this case simply an example of bad judgment? Were his actions motivated by a sense of power and a belief that his status and accomplishments placed him above the need to avoid any appearance of impropriety? John would argue that his actions were always in the best interests of the organization. He can cite significant accomplishments as a result of this mentor–protégé relationship. According to John, his intentions were always to serve as a diligent preceptor, and he believes the fellowship has been an educationally rewarding experience for the fellow. He is stunned that anyone on the governing board would consider his actions to be anything other than in the best interests of the organization. After all, for the good of the organization he denied a position to this fellow. John believes the only thing he may be guilty of is misplaced honesty, and he greatly regrets admitting his attraction to the postgraduate fellow.
In their upcoming review of this case, the governing board members must, to the extent possible, set aside personal standards of conduct and rely on the hospital's standards and policies and on professional codes of ethics if they are to make a fair and just assessment of the situation. Is it likely they will be able to do so?

Movie mogul Harvey Weinstein made the cover of the October 23, 2017, issue of *Time* magazine amid multiple accusations of sexual harassment of well-known and not-so-well-known women. The Me Too movement, which aimed to raise awareness of the pervasiveness of sexual abuse, began to spread virally through the hashtag #MeToo in the fall of 2017 as literally thousands of women—including many celebrities and public figures—went public with allegations of sexual harassment against men in the corporate and business world. Actor-comedian Bill Cosby was found guilty on April 26, 2018, of three counts of sexual assault. A vast number of Americans viewed the televised congressional hearings of Supreme Court nominee Brett Kavanaugh on September 27, 2018, as Christine Blasey Ford testified under oath that Kavanaugh had sexually assaulted her when they were teenagers. Yet some of the most shocking and outrageous examples of sexual misconduct surround former US presidents Bill Clinton and Donald Trump. Clinton was publicly accused of sexual assault and misconduct and settled a sexual harassment suit with one of his accusers in 1998. But Trump became the first US president to be indicted. In 2023, a jury found Trump guilty of sexual abuse and defamation and ordered him to pay $5 million in damages in a civil case in which a writer claimed in her 2019 book that he had raped her in an incident during the 1990s and Trump subsequently called her account a “hoax,” prompting her to sue for defamation; the jury’s verdict “marked the first time a former president has been found civilly liable for sexual misconduct” (Reiss and Gregorian 2023). In another case involving sexual misconduct, Trump in April 2023 pleaded not guilty to a 34-count criminal indictment charging him with falsifying business records in connection with a hush money payment made to adult film actress Stormy Daniels days before the 2016 presidential election; his trial was set to begin on March 4, 2024 (El-Bawab and Katersky 2023).

These events, along with many others like them, have signaled what some observers have called a “cultural shift” in the way sexual misconduct is viewed by the public (Kusisto 2020).

**Adherence to the Organization’s Mission Statement, Ethical Standards, and Values Statement**

To resolve the issues of this case, access to the hospital’s ethical standards and values would be advantageous. Indeed, assistance in the resolution of ethical questions is ample justification for written standards of ethical practice in an organization.
Such written standards also provide valuable guidelines for an organization’s day-to-day professional and business operations.

The governing board and senior management of Community Medical Center have a moral responsibility to establish the ethical standards that guide the organization’s operations. Legal and accreditation requirements address this obligation as well.

Emanating from the hospital’s mission statement, these ethical standards frequently reflect the mission of the organization in responding to the needs of its community and the prevailing standards of behavior in its community. In this particular case, no such written standards of ethical conduct or values statement are in place, but Community Medical Center’s mission statement does reference “family values” in its stated commitment to serve its community through state-of-the-art programs in family practice, obstetrics and gynecology, and geriatrics. The service area for Community is family oriented, religious, and conservative, and the board members representing this community reflect these same values. Under these circumstances, is it safe to assume that John’s behavior will be judged in the same framework as that of his colleagues in other healthcare organizations? If not, is this disparate treatment fair?

When recruiting John to be the CEO of Community Medical Center, did the board make clear the community’s standards and expectations for its professionals? Did the board take into account how significantly the job performance of the hospital’s CEO would depend on the satisfactory adjustment of his family, given that the CEO would be spending considerable time away from home on work-related activities? If not, is the board acting fairly now?

Typically, healthcare organizations are a vital and visible part of any community. They serve the community’s healthcare needs, but they are also a source of employment and an economic force in the community. Accordingly, leaders of healthcare organizations are expected to be pillars of the community. Disregarding community values can be career limiting, or at least embarrassing, for the CEO and other senior-level staff. For example, in one Michigan hospital with a board chair who was a retired plant manager for Chevrolet, a vice president made the mistake of parking his foreign-made automobile in the hospital parking lot and was publicly chastised at the board meeting for disloyalty to the community.

**Adherence to Professional Codes of Ethical Conduct**

ACHE’s *Code of Ethics* provides guidelines for the ethical conduct of healthcare executives (see appendix B). It identifies standards of ethical behavior for healthcare executives in their professional and personal relationships, especially when
their “conduct directly relates to the role and identity of the healthcare executive.” The Code advises that healthcare executives should serve as “moral advocates and models” and should “act in ways that will merit the trust, confidence and respect” of all. In doing so, “healthcare executives should lead lives that embody an exemplary system of values and ethics” (ACHE 2022, preamble). If these standards are to be applied to the Community Medical Center case, the key word here may be “exemplary.”

In the section on the healthcare executive’s responsibilities to employees, the Code obligates healthcare executives to promote “a healthy work environment which includes freedom from harassment, sexual and other, and coercion of any kind” and “a culture of inclusivity that seeks to prevent discrimination on the basis of race, ethnicity, religion, gender, sexual orientation, age or disability” (ACHE 2022, section IV, C, D).

**Organizational Implications**

Are financial improprieties evident in John's actions? The answer to this question must follow a careful review of the hospital’s policies related to educational conferences and business travel. Adherence to these policies must be uniform among the staff, including the CEO.

Has this situation, and John’s behavior specifically, had any effect on other employees in the organization? Regardless of how discreet the individuals in any “special” relationship may be, the relationship is usually quickly perceived by most of the staff who have contact with the participants—particularly when the CEO is involved, because of his high visibility. Such special relationships are often a frequent topic of office gossip and speculation. They are bound to be an unneeded distraction at best and a threat to the credibility of management at worst. Regardless of what the participants may believe, favoritism, physical attractions, and flirtations are always obvious to outside observers and do affect the functioning of the organization, however negligible in some cases.

If office rumors filter outside the organization into other, more public domains, as they often do, the image of the organization and the effectiveness of the CEO may suffer. These considerations have prompted many organizations to establish policies limiting or prohibiting workplace liaisons. Gloria Allred, the highly sought-after lawyer for sexual harassment and discrimination cases, was once quoted as saying, “There is an epidemic of sexual harassment and discrimination against women in companies all across America” (Kolhatkar 2012). Indeed, according to the US Equal Employment Opportunity Commission (EEOC 2018), 25,605 sex discrimination charges and 6,696 sexual harassment charges were filed in 2017. Allred has been highly successful in prosecuting such cases. She
says, “Some very intelligent men can be so successful in business and so stupid in the workplace” (Kolhatkar 2012).

In 2018, the EEOC received 7,609 sexual harassment charges—a 13.6 percent increase over 2017 (EEOC 2019). There may be a correlation between the Me Too movement, which gained momentum in fall 2017, and this rise in data. Certainly, less stigma is now attached to reporting such incidents, and those who believe themselves to be victims may be less reluctant to do so. Healthcare managers need to ensure that proper education and training regarding sex discrimination and sexual harassment are mandatory for all staff.

Leadership Responsibilities

Effective leaders have certain characteristics in common: vision, integrity, intelligence, initiative, interpersonal skills, ethics, and flexibility, to name a few. Leaders are expected to serve as positive role models, to motivate staff and employees, to be committed to the organization’s mission and goals, to be responsive to the community’s needs, to establish ethical standards, and to be of strong moral character.

The higher the leader is in the organization, the more important and visible her moral character becomes. The moral character of the leader can serve as the standard for acceptable behavior, or it can destroy the organization’s reputation and effectiveness. At Community Medical Center, John’s preferential treatment of the postgraduate fellow has eroded staff morale, and rumors about the relationship are fraying his credibility. Healthcare executives, especially CEOs, may liberally reward their immediate subordinates for jobs well done, while others in the organization may perform equally well yet go unrewarded. Executives may be oblivious to the effect that this behavior has on the remainder of the staff.

It’s lonely at the top. Unfortunately, to be effective, a leader must willingly take on this hardship. Too often, the job is just not that much fun. The leader may enjoy friendship and confidences among professional colleagues in other organizations (noncompetitors, of course), but not in their own organization without the risk of compromising their position.

Further complicating the role and responsibilities of leaders is the issue of professional power. When you are the boss and have the power to reward others (or not), do your subordinates always tell you the truth, or do they tell you what they think you want to hear? Some subordinates may want nothing other than to please you (the superior) and be liked by you. Taken to extremes, the subordinate may begin to adopt your manner of dress, appearance, and work habits. If the behavior borders on the obsequious, the subordinate may be ridiculed by other employees and called a “yes man” or even worse. Some subordinates who exhibit this behavior seek career advancement; others simply want to be closer to those in authority.
The behavior of the superior in this dynamic can be interesting as well. Whereas some bosses may feel flattered and enjoy such behavior, others may dismiss it and seek more original thinking and intellectual challenge from their subordinates. As in all circumstances, the boss takes the lead in defining the patterns of behavior that will prevail in an organization.

An additional source of power for executives, whether in healthcare or the corporate world, comes from the rituals and symbols that define the “executive office” and impart power to those who inhabit it. Berger and Luckmann (1967, 91), pioneers in the sociological theory of symbolic interactionism, posit that all reality is socially constructed by the interactions of the participants. They believe that symbols and rituals structure and influence these interactions and distribute power accordingly. The corner office, the executive furniture, the Mont Blanc pens, the executive attire, and the framed diploma all signify authority and set the executives apart from the less powerful employees. No wonder many executives seek to keep these tokens of power in place.

Executives often underestimate the level of power that they exercise. In fact, it can be dangerous when the powerful are unaware of the power they wield. Equally dangerous, however, is when the powerful become so aware and so seduced by power that they act in arrogant disregard of the norms, laws, and standards intended for everyone in a profession, an organization, or a society. Hubris—excessive pride or self-inflation—and the downfalls that result from it are often noted in mythology and history. In Greek mythology, the hero aspiring to be like the gods was usually punished by death. In modern times, examples abound of political figures who believed they were above the law and suffered a demolished career and reputation as a result. Less conspicuous but more common in healthcare management are the highly regarded and committed leaders who develop a sense of entitlement regarding the “perks” of their position as a result of the long hours and personal sacrifices that they have endured.

Finally, some healthcare leaders struggle with a desire to do the right thing in the face of ethical dilemmas and ambiguities. The close scrutiny of their actions in their organization, in the healthcare field, and in the media and the community at large makes them especially vulnerable to questions.

Effective leaders are self-aware. They reflect on their words and actions, and on the effect they have on others and their organizations. Chinese philosopher Lao Tzu said, “Knowing others is wisdom; knowing yourself is enlightenment.” Leaders are not always perfect, but they must be open to learning new communication styles and leadership strategies. Successful leaders seek to understand
their strengths and weaknesses and work toward improving those areas that need it. They know that if they want high-performing teams, they must model the behaviors they wish their staff to emulate. Effective leaders are moral leaders who promote morality among their subordinates.

A multitude of resources provide ethical guidance, including professional organizations, university programs, publications, educational programs, ethics consultants, networking, and the internet. However, the best source of guidance remains the organization’s mission statement, which should help define the ethical standards of the organization and provide a sense of purpose and direction to staff.

Stanford professor of organizational behavior Roderick Kramer (2003) suggests that leaders ask themselves the following questions from time to time to determine if they are in danger of reckless behavior:

1. Are you spending most of your time plugging holes and papering over cracks?
2. How do you respond to those annoying dissenting voices in your organization?
3. Whom can you really trust to tell you “the emperor has no clothes”?
4. Do you have delusions of grandeur?
5. Are you too greedy for your own good?
6. Is this a good time to pause and consider doing something different (or even nothing at all)?

The situation at Community Medical Center points out the very real need for healthcare leaders at all levels to have a trustworthy confidant who can advise and alert them when their actions are questionable and may have untoward consequences. Some managers fail to seek such advice because their insecurity or naivete does not invite criticism. But effective leaders must be able to anticipate the consequences of personal and professional actions both on their careers and on their organizations. Wise managers will seek out a respected and trustworthy staff member, colleague, or friend who can offer candid criticism in confidence.

In the Community Medical Center case, should the fellow be considered blameless in what appears to be an escalating personal relationship? Perhaps not. One would think that having completed a graduate program, the fellow would be mature enough to recognize inappropriate behavior, whether her own or that of others. Nevertheless, university programs should include professionalism and ethical conduct as important components of coursework. Regardless of the fellow’s responsibility, however, the power equation of superior–subordinate tips the balance of blame toward the CEO mentor.
Sex Discrimination and Sexual Harassment

Sex discrimination is against the law and has been since Congress passed the Civil Rights Act of 1964. This law, along with various state and local statutes, prohibits discrimination based on race, sex, religion, age, and national origin. Title VII of the Civil Rights Act of 1964 prohibits discrimination in private employment with respect to compensation and the terms, conditions, and privileges of employment. These include hiring, firing, promotion, transfer, job training, and apprenticeship decisions. The Civil Rights Act of 1991 awarded to victims of such discrimination the right to jury trials and compensatory and punitive damages (EEOC 2023a). The EEOC is the federal agency established to administer the law.

In 2009, President Barack Obama signed the Lilly Ledbetter Fair Pay Act, a law named for an Alabama woman who, at the end of her 19-year career as a supervisor at Goodyear Tire and Rubber, discovered that she had been paid less than men in the same position. Her claim was originally denied by the US Supreme Court, which said she should have filed her suit within 180 days (six months) of the date that Goodyear first paid her less. This law resets the six-month statute of limitations every time the worker receives a paycheck (EEOC 2023b).

Sex discrimination was not part of the Civil Rights Act of 1964 as it was originally written. Gender was added at the last minute by conservative southern opponents of the bill who thought that something as “ludicrous” as equality of the sexes would surely cause the bill to founder. The bill passed and became law, but the EEOC took no action against sex discrimination in employment for several years until pressure from the women’s movement made it an issue. A case was subsequently made that sexual harassment is, in fact, a form of sex discrimination. In 1980, the EEOC defined sexual harassment as a form of sex discrimination prohibited by the Civil Rights Act, and in 1986, the Supreme Court held that sexual harassment on the job was a form of sex discrimination (Lazar and Volberg 2019).

Although the Community Medical Center case involved a male CEO and a female postgraduate fellow, it could have occurred in reverse, with a female CEO and a male postgraduate fellow, with two individuals of the same sex. The significant issue here is one of “power of authority.”

In the case of Community Medical Center, an examination of the possibility of disparate treatment because of gender may be in order. If an employee is treated less favorably because of gender, or if they are treated both differently and less favorably, disparate treatment and discrimination may be involved. The complainant must show that the employer intended to discriminate because of gender. That is, the employee must show that they were qualified and applied for a job or promotion that the employer was seeking to fill, that they were denied, and that the employer continued to seek applications. The employer does not need to prove a
lack of discrimination. Employers are given a great deal of latitude in this area and can disguise questionable employment practices as business decisions. The complainant, on the other hand, must show direct evidence, such as derogatory statements by the employer; comparative evidence, such as similar situations where others were treated more favorably; or evidence that the employer acted contrary to its own policies (Lazar and Volberg 2019; Outten, Rabin, and Lipman 1994).

While sexual harassment is a form of sex discrimination, it is not always as easy to define. Typically, the legal issues focus on whether the conduct in question is sexual in nature, unreasonable, severe, and unwelcome. Title VII of the Civil Rights Act considers sexual harassment as unwelcome sexual conduct of two types: (1) quid pro quo, or sexual favors for job benefits, and (2) hostile work environment, wherein the employee is forced to endure unpleasant conduct because of gender. In quid pro quo situations, the harasser must be one who has authority over the victim's job and benefits. In hostile work environments, any conduct of a sexual nature that interferes with an employee's work is considered hostile (Lazar and Volberg 2019; Outten, Rabin, and Lipman 1994).

Most experts agree that a key determinant of sexual harassment is whether the conduct is unwelcome, but this perception is not always readily apparent. The EEOC (2010) has stated that “because sexual attraction may often play a role in the day-to-day social exchange between employees, the distinction between invited, uninvited but welcome, offensive but tolerated, and flatly rejected advances may well be difficult to discern.” Italie (2013) asks, “Are workplace compliments focused on looks or other personal details like dress ever OK? When do such remarks rise to actionable harassment or become worthy of a friendly rebuff or a trip to HR?” In the opinion of compliance experts, human resources managers, and labor lawyers, “tone, context, and a pattern of behavior are everything when it comes to unwanted remarks” (Italie 2013). Some compliments mean nothing; others aim to change the power dynamic between two individuals.

Office romances are an inevitable fact of life. Some people attribute them to the greater number of women now in the workforce; others point to the fact that many workers are putting in longer hours. According to a CareerBuilder survey, almost 39 percent of workers have dated a coworker, and of those, nearly 17 percent have dated a coworker at least twice (Singh 2013). Despite the prevalence of office affairs, a Society for Human Resource Management survey found that only 13 percent of companies have a policy on workplace romance, perhaps because many human resources managers believe a formal policy would intrude too much on employees' personal lives (Singh 2013).

When my millennial graduate students were given the assignment to write their organization's policy on coworker dating, the results were surprisingly across-the-board, ranging from no policy at all to a strict prohibition. Those advocating
for no policy were adamant that it is inappropriate for an organization to legislate the personal behavior of adult employees. Those advocating for strict prohibition expressed concern about the negative impact that dating a coworker could have on the organization in the event of breakups, rejections, or relationships that turn hostile. Other student policies struck a middle ground, with most allowing coworker dating but not between superiors and subordinates and not within the same department.

Workplace romances, real or imagined, have an impact on the work environment. They change the dynamics and chemistry between workers. The perception of favoritism can erode productivity and morale. When a breakup occurs, negative fallout brings unwanted tension.

Affairs between managers and subordinates are the most dangerous liaisons. The manager undermines their authority, jeopardizes working relationships with other reports, and is often seen as having a conflict of interest. Despite a perception of favoritism, the subordinate may, in fact, be treated less favorably in an attempt to cover up the relationship. Coworkers may view that subordinate as an informant and avoid them. The subordinate may not have access to the information or teamwork they need to do their job effectively. Charges of sexual harassment against someone in authority are often scrutinized more closely than others because of the possible abuse of power.

Although other managers may not be so fortunate, many CEOs have survived office affairs and not been fired for sexual misconduct. Governing boards sometimes appear to be more interested in financial performance than in their CEO’s sexual escapades. Still, in a widely publicized scandal, the CEO of Beth Israel Deaconess Medical Center in Boston was fined $50,000 by the hospital’s board for his “lapses in judgment” in a personal relationship with a female employee (Kowalczyk 2010b, 2010c). This action followed an investigation of an anonymous complaint letter to the board alleging inappropriate hiring practices and sexual relationships involving the CEO and hospital employees. In spite of this “punitive” fine and the board’s public “expression of their disappointment” in its CEO, the board declared “unanimous continued confidence” in his leadership of the medical center. The board cited his “exemplary record . . . , the current performance of the hospital, [and] his role as the chief architect of the hospital’s leading position in quality and safety” in a public statement concerning its actions (Kowalczyk 2010c).

These public statements notwithstanding, some dissension among board members regarding its decision was reported, and the board subsequently asked the Massachusetts attorney general’s office to review its decision and determine whether it had appropriately fulfilled its responsibility in its handling of the matter. In September 2010, the attorney general found “no evidence of misuse or
abuse of charitable funds” in the hiring or compensation of the employee with whom the CEO admitted to having a personal relationship (Massachusetts Office of the Attorney General 2010).

However, the report of the attorney general continued:

The predictable and unfortunate result of combining personal and professional relationships within a workplace environment means decisions made regarding the employee’s hiring, transfer, pay, bonuses, and performance reviews will always be subject to the perception they may have been influenced as much by the personal relationship . . . as by her own professional performance. The outstanding reputation of an organization and its CEO are valuable assets of any charitable organization. The personal relationship between the CEO and the employee, which continued throughout her tenure despite repeated expressions of concern by senior staff and certain board members, clearly damaged his reputation, and of greater concern, endangered the reputation of the institution and its management.

The attorney general’s review further concluded that the hospital board had acted appropriately in its investigation and deliberations but indicated that the board should have taken earlier disciplinary action given the CEO’s continued personal relationship after repeated expressions of concern by senior staff and some board members. The attorney general subsequently urged the board of Beth Israel Deaconess Medical Center to do “some soul searching” about the CEO’s ability to continue leading the hospital (Kowalczyk 2010a). The CEO stayed on for a few months and then announced his retirement in January 2011, claiming his resignation was unrelated to the controversy of the previous year.

Much can be learned from this unfortunate incident. Personal relationships, especially those of a sexual nature, will not go unnoticed by hospital staff and employees, and the perception of favoritism and unlimited access to the boss will have negative consequences. In this incident, the anonymous complaint letter was signed “concerned employees of BIDMC.” The fallout from a tarnished institutional image, although not immediately apparent, may negatively affect future donor support or recruitment of professional and clinical talent. The energy and resources committed to investigation of the allegations and management of the public relations related to this incident may have been diverted from more pressing, patient-centered activities.

Like John at Community Medical Center, the CEO of Beth Israel Deaconess Medical Center had served as a mentor to the employee in question, who, like the fellow at Community, was by all accounts a competent healthcare manager with positive performance reviews. A close mentoring relationship requires that the mentor wisely establish boundaries that keep the relationship at a professional
level; neither CEO in these scenarios was attentive to boundaries. Finally, wise healthcare executives pay attention when colleagues tell them their behaviors are being perceived as inappropriate and potentially harmful to the organization.

Sexual misconduct, and especially charges of sexual harassment, can be costly to an organization. Employers are almost always responsible for the actions of a superior when a subordinate files such charges. The average cost of defense against a sexual harassment claim can range from $75,000 to $150,000 if the organization wins the case. If it loses, the typical cost is $175,000–$250,000 but can surpass $150,000,000 (Sims 2018). And these are just the direct costs; indirect costs include diminished work performance, lower productivity, and poorer employee health, as well as staff turnover and harm to the organization’s image. Fox News paid $45 million over the course of just one year to address the fallout of former anchor Bill O’Reilly’s history of sexual harassment (Sims 2018). The total cost of settlements and awards to US organizations in 2012 exceeded $356,000,000 (EEOC 2016). There can be no doubt that sexual harassment is “unethical . . . illegal . . . and really, really expensive” (Sims 2018).

In addition to the direct and indirect costs of sexual harassment to an organization, the less tangible (but perhaps even more detrimental) effects of sexual harassment claims are distrust of management in general and an erosion of faith in society’s institutions. Questions, such as the following, remain as to how far the costs of sexual harassment claims extend beyond the individual companies directly involved:

- Does the publicity surrounding settlements foster complaints in other organizations?
- Are more false claims filed because the complainant despises the boss, was rejected by a superior, was humiliated or made to feel inferior, hates the company, or is just seeking financial gain?
- Is the government overregulating the workplace?
- Are sexual harassment claims making our society more litigious—and driving up healthcare costs?

All these questions should be part of the discussion. But regardless, sexual harassment is against the law, and the employer is responsible for establishing strong policies that prohibit it in the workplace; effective investigative procedures; and comprehensive training programs for all employees, managers, and governing board members.

Sexual harassment is not a simple issue, and its complexities make it a major ethical challenge for organizations. Smart organizations will meet this challenge and commit the necessary resources to create a working environment free from harassment because they know that, in many ways, it is costly not to do so.
Expectations of a Mentorship Program

Corporate leaders often rank mentoring second only to education as a significant factor in their success. In interviews with 21 nationally prominent healthcare executives, a respected mentor was often credited with early guidance and instilling a sense of purpose in them (Rice and Perry 2013, 57). The executives interviewed indicated that they, in turn, have cultivated their effectiveness as mentors by intentionally developing leadership teams and by sharing relevant career experiences with their direct reports. They believe in the power of mentoring and expect that those whom they mentor will mentor others in turn.

The mentor’s protégé is often a postgraduate fellow. A postgraduate fellowship is “a preceptor-directed program designed to nurture independence and experiential learning by an individual who has recently obtained a master’s degree” (ACHE 2023a). A fellowship provides an opportunity for the protégé or fellow to gain real-world experience in their professional field, to refine skills, to test academic concepts, and to learn about the dynamics and politics of organizations. ACHE encourages healthcare organizations to offer postgraduate fellowships as a way for healthcare executives to give back to their field. To spur interest and promote access to postgraduate fellowships, ACHE provides detailed resources on logistics, compensation and benefits, recruiting, onboarding, and assessment of fellowship candidates (ACHE 2023b).

The preceptor or mentor is typically a senior-level executive who is interested in teaching and sharing experiences, insights, and knowledge with young professionals embarking on their careers. Some view mentoring as a mechanism whereby executives can contribute to their field and assist in the professional development of future colleagues.

To be effective, the mentor must be an emotionally secure individual who possesses high ethical standards and values and behaves in a rational, consistent manner. These traits are important because the mentor serves as a role model and teaches by example. Protégés often adopt the behaviors and value systems of their mentors and retain this learned work philosophy throughout their careers. Early careerists may pattern their professional lives after that of their mentors. Seen in this light, mentoring provides the executive with considerable responsibility, as well as an opportunity to prepare healthcare leaders of the future.

Because of position and experience, the mentor can provide the direction and guidance that the protégé needs to achieve career goals. The mentor serves as a teacher and protector and provides learning opportunities. The mentor makes it safe for the protégé to make mistakes but intervenes when circumstances become difficult or complex. Effective mentors are good teachers, enjoy a favorable
professional reputation and network of colleagues, and commit the necessary time to the relationship. Time is a precious commodity in the life of an executive, and mentoring takes time. Minimally, the mentor must plan the fellowship experience, assign meaningful projects, confer with the protégé at least weekly to assess progress, and provide honest evaluation. Most important, the protégé must have access to the mentor.

Having access to the boss sometimes creates problems among other employees, who may feel that the protégé enjoys special privileges. The perception of favoritism is just one of the pitfalls of mentoring. Mentors must also avoid teaching only what they believe to be true. They must encourage their protégés to be critical thinkers and to challenge their ideas and methods. Mentors who teach thoughtful questioning and tactful disagreement will provide their protégé with valuable interpersonal skills. Collaborating closely, sharing thoughts, and spending a lot of time together can predispose the principal participants in a fellowship to a romantic attraction. This possibility could be one reason some male executives may be reluctant to mentor women.

Given that currently most CEOs are men, gender could be a potential barrier to desirable mentorship situations for women. Further limiting mentorship opportunities for women is the unfortunate reality that women executives who rise to the top are often reluctant to mentor other women (Tahmincioglu 2010). Women face other barriers as well: Male managers may have more access than female managers to informal executive networks, which tend to be the dominant organizational coalitions that provide access to mentors. It is no myth that a great deal of business is conducted on the golf course and other predominantly male social venues. The prevalence of this dynamic makes it especially important for women to interact with senior-level executives through fellowships, membership in professional societies such as ACHE, service on local or state healthcare committees, and the like. The absence of such executive interaction diminishes a woman's ability to develop the network needed for career advancement.

A series of interviews with more than 30 senior executives in the financial world found that “many are spooked by #MeToo and struggling to cope” (Tan and Porzecanski 2018). These executives are avoiding working with women—and in some cases even hiring them—which may be contributing to “gender segregation” in corporate finance. Male executives in other industries are “walking on eggshells,” too, as they check their behavior around women to protect themselves from what they consider to be “unreasonable political correctness” (Tan and Porzecanski 2018). This phenomenon has been called “the Pence Effect,” after former US Vice President Mike Pence, who has said that he avoids dining alone with any woman other than his wife. This series of interviews indicates that the MeToo movement is creating hurdles for working women, whose career advancement
would benefit from mentoring—and as long as most CEO positions are held by men, women will continue to be at a disadvantage, and organizations may lose valuable talent (Tan and Porzecanski 2018).

The medical profession is sounding the alarm about this backlash as well. In a *New England Journal of Medicine* article, “Men’s Fear of Mentoring in the #MeToo Era—What’s at Stake for Academic Medicine?” researcher Sophie Soklaridis and colleagues cite a Lean In sexual harassment backlash survey of 3,000 US adults that found that “some men have stopped meeting alone with women, and others will not meet with women they do not know well or who are considered to be their subordinates.” Soklaridis and her colleagues tell us this attitude has created a fear of mentoring in medicine, which has serious consequences because women represent nearly one-half of medical school graduates but only 16 percent of medical school deans (Soklaridis et al. 2018).

The sports industry, too, is not immune to the impact of the MeToo movement. Dallas Mavericks owner Mark Cuban commissioned an investigation of the Mavericks front office that revealed a toxic workplace culture, prompting Cuban to donate $10 million to groups dedicated to stopping domestic violence and developing women leaders in the sports industry. He hired a new CEO—a woman—to clean up the mess created by years of incompetent leadership and hostile working conditions for women on the organization’s staff (Pilon 2018).

Even in publishing, more and more prominent men have been the subject of allegations of sexual misconduct. An increasing number of publishers are now including a “morality” clause in their contracts that permits them to terminate a book contract with authors accused of “widespread public condemnation . . . that materially diminishes the sales potential of the work” (Shulevitz 2019).

Executive-level interaction and mentorship that crosses gender lines does carry risk for inappropriate sexual behavior on the part of one or both of the participants. Recognizing this risk, the American Medical Association (AMA 2023b) has published guidelines for preventing sexual harassment that include a code of behavior for teacher–learner relationships in medical education. This code of behavior notes that “the teacher–learner relationship should be based on mutual trust, respect and responsibility. This relationship should be carried out in a professional manner, in a learning environment that places strong focus on education, high quality patient care and ethical conduct.” The teacher is expected to provide “instruction, guidance, inspiration, and leadership in learning” (AMA 2023b). The learner is expected to make the effort to acquire the necessary knowledge and skill to become an effective professional. In addition to defining and prohibiting sexual harassment, the AMA (2023a) specifically addresses consensual amorous relationships between medical supervisors and trainees, noting that the fundamental imbalance of power between the two partners and the possibility of biased
evaluations, either positively or negatively, make these relationships unethical. “Sexual relationships between medical supervisors and trainees are not acceptable, even if consensual,” the code states. “The supervisory role should be eliminated if the parties wish to pursue their relationship” (AMA 2023a).

Despite the time, energy, and resources needed to establish and participate in mentoring younger, less experienced healthcare managers, valuable benefits accrue to the mentor and to the organization from mentoring. Mentoring requires mentors to objectively analyze their way of addressing an issue, examine their choice of actions more closely, and stay current with best practices in the field (Perry 2012).

Clayton M. Christensen, an influential management expert, asked the Harvard Business School class of 2010, “How will you measure your life?” His own answer to this question was the following (Christensen 2010):

Management is the most noble of professions if it’s practiced well. No other occupation offers as many ways to help others learn and grow, take responsibility and be recognized for achievement, and contribute to the success of a team. More and more MBA students come to school thinking that a career in business means buying, selling, and investing in companies. That’s unfortunate. Doing deals doesn’t yield the deep rewards that come from building up people. I’ve concluded that the metric by which God will assess my life isn’t dollars but the individual lives I’ve touched. . . . Don’t worry about the level of individual prominence you have achieved; worry about the individuals you have helped become better people.

REFERENCES


