



ARGENTUM
EXPANDING SENIOR LIVING

The Path Forward

*Impacting the Future of Women
in Senior Living*



EXECUTIVE SUMMARY

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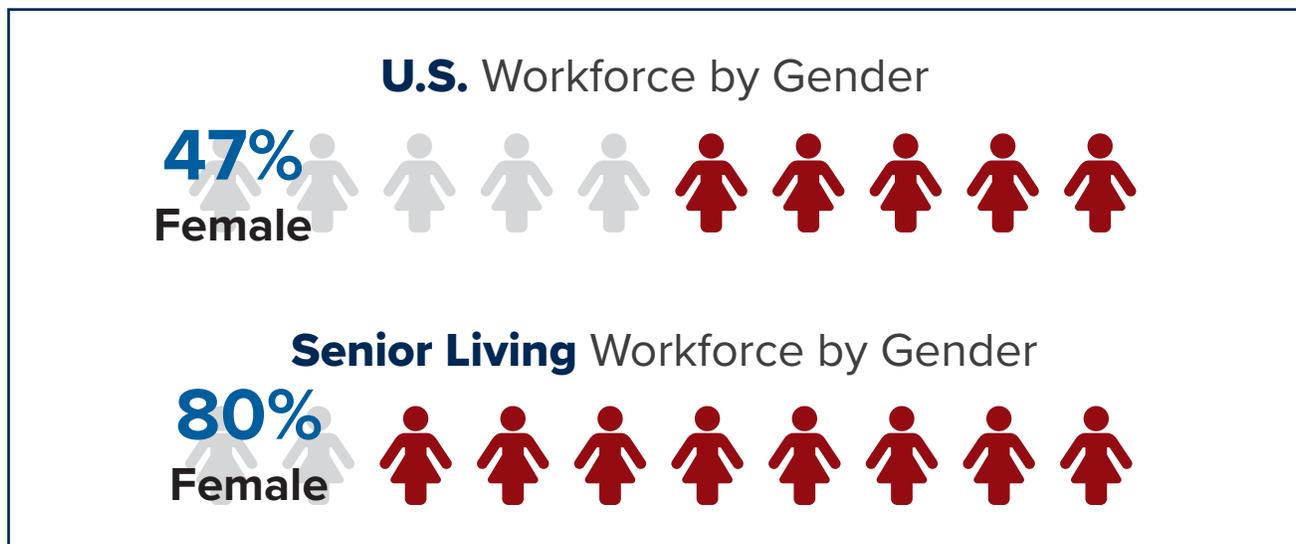


AN INDUSTRY OF WOMEN

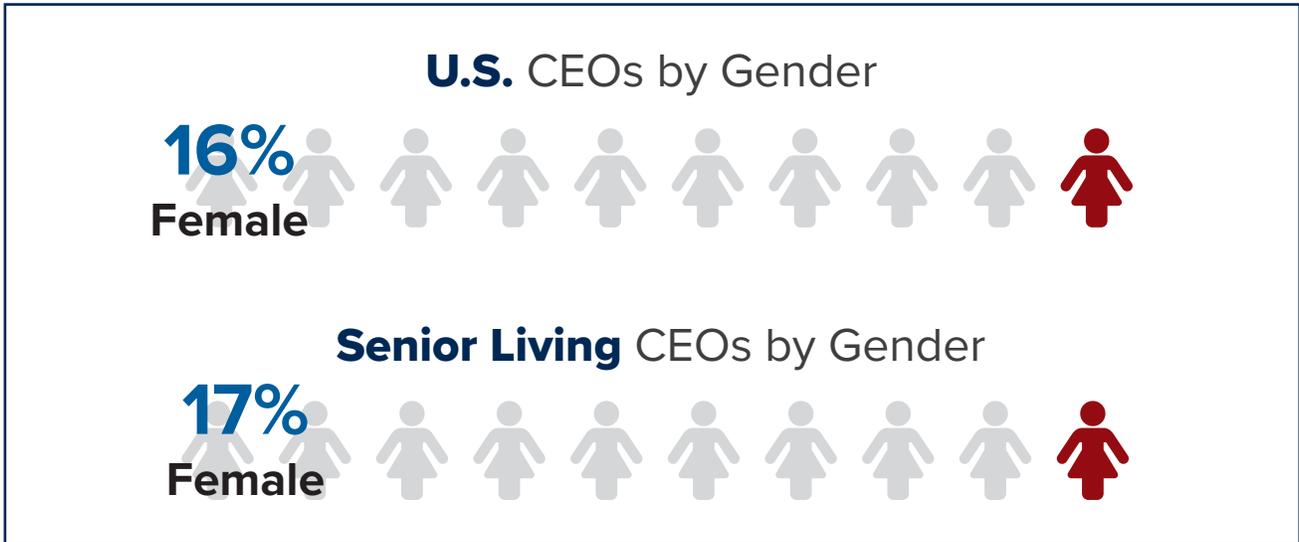
Across the U.S., women hold approximately 16% of executive management positions, despite comprising 47% of the workforce population. Senior living is a remarkable outlier in its gender profile, in that 80% of our workforce is female. Even more striking, 50% of our senior management positions are

occupied by women. And yet, despite the industry's achievements in female workforce representation, we are merely on par with the nation in terms of women in leadership roles—approximately 17.5% of the CEO positions at the largest 115 provider companies are held by women.

*Senior living employs women at a rate of **almost 2X** the national average*



Yet senior living is **merely on par** with the national percentage of female CEOs



The High Price of Gender Inequity and Discrimination

In addition to being underrepresented in higher-paying and more senior roles, women also face workplace discrimination. Specifically, women report:

- ✎ **Earning less** than a man performing the same job (25%)
- ✎ Being **treated as incompetent** due to their gender (23%)
- ✎ **Receiving less support** from senior leaders than a man performing the same job (15%)
- ✎ **Being passed over** for more important assignments (10%)
- ✎ Other forms of **gender discrimination** at work (42%)

In 2017, companies in the bottom quartile for diversity were **29% less likely** to achieve above-average profitability.

The bar chart shows four bars of varying heights. The first bar on the left is the shortest and is colored red, representing the bottom quartile for diversity. The other three bars are taller and colored grey, representing the other three quartiles. The text indicates that the first bar is 29% less likely to achieve above-average profitability compared to the others.

“This is hard work, it is emotional, and if you don’t have a culture to support you as a human being it makes it that much more difficult. You need to look for a company that shares your values. You need a team that walks the talk.”

—Anne Campbell, Corporate Leader, Juniper Communities

Proven Benefits of Gender Diversity

Gender diversity at the executive level matters to companies, customers, and stakeholders. Those who set the vision, deploy strategy, and pursue initiatives will drive a company's direction, and strategic gender initiatives are shown to produce benefits in company culture, sustainability, and finance.

The Right Leadership Improves Customer Orientation

Given that the senior living client base is 7 to 1 female and that 60% of family caregivers are female, it's vital that the industry's leadership reflect the composition of its workforce and clientele.

According to McKinsey, women and minority groups are key consumer decision-makers, and companies notably strengthen their customer orientation—providing better targeted services and higher value along with greater customer satisfaction—when their leadership reflects its key consumer decision-makers.

Economic Benefits of Gender-Diverse Leaders

The numbers are clear: “companies in the top quartile for gender diversity were fifteen percent more likely to have financial returns that were above their national industry median.”

A 2017 Deloitte study also found that companies with inclusive talent practices in hiring, promotion, development, leadership, and team management generate up to 30% higher revenue per employee and greater profitability than their competitors.

The previous year, the *Harvard Business Review* cited a working paper by the Peterson Institute for International Economics that demonstrates “going from having no women in corporate leadership to a 30% female share is associated with a one-percentage-point increase in net margin—which translates to a 15% increase in profitability for a typical firm.”

Improved Company Reputation

Diverse hiring practices matter to consumers, who prefer to interact with companies that embrace and embody values that reflect global connectivity and inclusion. And they matter to industry leaders. In an extensive Deloitte survey, 69% of executive respondents listed Diversity and Inclusion as important factors in talent management.

Increased Recruitment Even in a Talent Crunch

In 2017, the Bureau of Labor Statistics estimated 912,880 Americans working in continuing care and assisted living communities, a jump from 892,000 in the previous year. And the bureau predicts that by 2026, senior living will employ over 1.3 million workers.

As qualified talent becomes harder to find and more expensive, recruitment and retention efforts must stem from diverse leadership, which can “help a company secure access to more sources of talent, gain a competitive recruitment advantage, and improve its global relevance. This is especially true for interaction talent—whose primary function requires extensive human interaction—which already accounts for 41% of American jobs.”

Superior Company Stewardship

We must also turn our attention to the gender make-up of our boards. Research shows companies enjoy the following benefits when women sit on corporate boards:

- ✓ More effective risk-management practices
- ✓ Greater attention to legally mandated responsibilities like monitoring and strategy involvement
- ✓ Fewer instances of controversial business practices such as fraud, corruption, bribery, and shareholder battles
- ✓ Better collection and transparent disclosure of stock price information
- ✓ Fewer financial reporting mistakes
- ✓ More contributions to charitable funds



BEYOND THE GLASS CEILING

In many ways, the senior living industry has already broken through the glass ceiling, not only by employing a majority female workforce, but with celebrated female industry pioneers who founded their own companies, and many more who have risen to C-suite positions.

Argentum President and CEO, James Balda, reflects on the industry future and potential. “At this moment, senior living is uniquely positioned to cultivate its majority-female workforce with targeted recruitment; clear equity and inclusion policies; and a culture that welcomes, celebrates, and supports women at all levels.”

As we look toward a future of changing customer needs, higher workforce demands, and intensifying competition, the way forward must leverage all of our previous accomplishments and pursue the cultural, company, and economic benefits of a strategic and ongoing commitment to gender equality.

Ensuring that the senior living industry continues to welcome and support female employees while intentionally striving to increase female leadership goes beyond the ethics of equity and inclusion.

In fact, higher levels of gender diversity overall are linked to numerous company benefits, including:

better **retention**

reduced conflict and turnover

increased **innovation**

higher **job satisfaction**

better overall **public image**

improved **decision-making**

higher levels of **creativity**

It is precisely these kinds of performance metrics that will help the senior living industry rise to the changes and challenges we will soon face.

“Having come from a different country and having started from scratch, I can see that there is a tremendous amount of growth potential for anyone in this industry. Because this is an industry that is still maturing, that gives rise to a lot of potential opportunity for those who want to take advantage of it.”

—Mercedes Kerr, EVP, Business Development, Welltower

Changes and Future Challenges for Senior Living

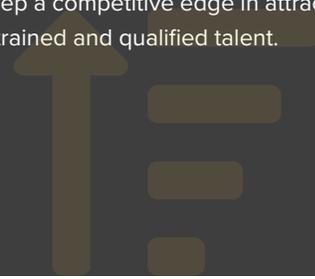
Increased Health Care

As the retirement age pushes higher and seniors are living longer in general, residents will require higher levels of health care, monitoring, and perhaps even intervention. Communities that currently focus on community enrichment will see a shift in focus toward providing more health-related support and services.



More Talent Competition

Coupled with our industry's growing workforce needs, the Bureau of Labor Statistics also predicts a 41% growth for the home health care industry. Family members and professional caregivers will provide for seniors in their home at a rapidly increasing rate, thereby heightening our industry's need to keep a competitive edge in attracting and recruiting trained and qualified talent.



Growing Workforce Needs

Senior living has long outpaced the national average in terms of job growth, rising annually by 3.9% between 1990 to 2016, while the total private sector employment rate rose by just 1.1%. Within the next decade, our workforce is estimated to need 1.2 million employees within the next decade.

Additionally, 40% of multi-site CEOs will reach retirement age in the next five years. We are poised ahead of a potentially major turnover in leadership to make a major impact on the landscape of our executives.



Redefining Retirement

Not only are seniors pushing off retirement, but many are choosing not to stop working at all. Baby Boomers have moved from seeing retirement as being done with work and are instead seeking continued productivity, activity, and engagement, sometimes even venturing into their second or third careers. This personal and cultural shift in how we define retirement means senior living will be asked to provide more and higher quality activities and enrichment with highly skilled talent.





ARGENTUM'S VISION

Gender Diversity is an Industry Issue

For over a year, Argentum analyzed data on gender disparities in the senior living workforce and leadership, as well as research and insights from industries like hospitality health care. In a recent survey of female executives across the senior living industry, Argentum found that 70% of companies currently do not have any initiatives for women's leadership, despite an overwhelming desire for resources to celebrate, support, and mentor female leaders.

While company-level initiatives certainly help shift the gender imbalance of senior living executives, Argentum is approaching gender diversity with an **industry-wide vision**. As the leading national association exclusively dedicated to supporting companies operating professionally managed, resident-centered senior living communities and the older adults and families they serve, Argentum is positioned to foster industry-wide communication, collaboration, and progress toward major gender equity outcomes.

70%

of senior living companies currently

do not have any initiatives

for women's leadership

Argentum's Challenge for the Senior Living Industry

How *capitalize on and continue to grow our female workforce?*

do *advance more women into leadership and executive roles?*

do *measure and assess the impact of increased gender equity in executive leadership roles?*

we *fit gender diversity onto our senior living Roadmap to 2025?*

Argentum's Industry-Wide Initiative

With a clear need to fill and the experience and leadership to rise to the occasion, in fall 2018 Argentum launched a new initiative:

Women In Leadership

The initiative will celebrate and leverage women's achievements and contributions to the growth and health of the senior living industry, as well as help lead a flourishing industry into the future.

Argentum is taking a leadership role in advancing careers of women in senior living by providing educational programming, mentorship, and resources to advance diversity within leadership; exploring opportunities to support existing women in the field; and **cultivating the next generation of leaders.**

Maribeth Bersani, Argentum COO

"This initiative is something I've never seen done before. It's completely new, and it was something I immediately wanted to be a part of.

I want to tell future leaders, **you don't have to wait until the end of your career to achieve success or hold a C-suite position.**

Collette Gray, Steering Committee Chair

Steering Committee Priorities

The Women in Leadership (WIL) steering committee, chaired by Integral Senior Living CEO and Argentum Board member Collette Gray, will work to shape the mission and vision.

Gray emphasizes, "the committee is looking to foster and empower women to move into more senior positions. We are going to give

them the tools to make those advances."

At their March meeting this year, the committee reviewed feedback gathered from an Argentum survey of current female industry leaders, then laid out several initiative priorities, many of which capitalize on best practices:

- ▶ An industry call to action with commitment to advancing leadership gender diversity
- ▶ Measuring and tracking indicators for performance and advancement of initiatives
- ▶ Engaging media to tell our stories of success and opportunity
- ▶ Developing leadership opportunities for women
- ▶ Creating policies and programs that promote leadership gender equity
- ▶ Establishing formal and informal mentoring relationships for coaching and advancement
- ▶ Engaging women from all corners of the industry to discuss gender and leadership issues
- ▶ Providing educational programming and resources to advance gender diversity
- ▶ Conducting and disseminating research to identify barriers and opportunities for women's advancement
- ▶ Personal and professional empowerment and growth opportunities

CORE TARGETS

Education

In order to

accurately understand the industry's past and present, as well see trends and predictors

create and sustain a supportive community of current and future women leaders

grow the industry's current female workforce

increase the number of women recruited and promoted to executive leadership and board positions, and to promote the industry overall

We will

identify and measure key indicators toward advancing leadership gender diversity within the senior living industry, including developing and measuring gender equity index.

share resources, network, and support successes.

provide tools and resources for women and companies to advance gender diversity in every role, department, company, and throughout the industry.

collaborate to enhance and publicize career opportunities and pathways to leadership.

Partnering with Senior Living Works;
Creating and curating resources and tools for women new to the industry;
Promoting senior living careers in high schools, colleges, and universities;
Promoting opportunities for women in senior living in multiple settings, including operations, architecture, financing, and development.

Support

Mentorship and coaching programs;

Educational and networking programs;

Gender diversity toolkits for companies;

Ongoing research on the impact of gender diversity on performance.

Celebration

Industry-wide communication strategy;

Continual documenting and publishing of success stories;

Sharing via social media channels;

Media tracking and measuring our successes, both trades and outside trades;

Networking at national, state, and local industry events.

Measurement

Women in boardrooms;

Women in C-Suite;

Women in senior leadership and management;

Perceptions of gender equity/diversity among women;

Corporate gender diversity initiatives.

THE FOUR PILLARS

PILLAR ONE

In order to accurately understand the industry's past and present, as well see trends and predictors, we will identify and measure key indicators toward advancing leadership gender diversity within the senior living industry, including developing and measuring gender equity index. Other measurements will include:

PILLAR TWO

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PILLAR THREE

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PILLAR FOUR

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FORWARD TOGETHER

Argentum's Women in Leadership Initiative will move forward with a steering committee and subcommittees and working groups, with a collaborative approach to meetings, milestones, and roadmaps for the future.

We encourage all to get involved in any of the following ways:

- ✓ Sign up to receive updates and more information
- ✓ Volunteer for a working group or subcommittee
- ✓ Share your experiences and provide feedback
- ✓ Connect with us at Argentum events

ABOUT ARGENTUM



Argentum is the leading national association exclusively dedicated to supporting companies operating professionally managed, resident centered senior living communities and the older adults and families they serve. Argentum member companies operate senior living communities offering assisted living, independent living, continuing care, and memory care services to older adults and their families. Since 1990, Argentum has advocated for choice, independence, dignity, and quality of life for all older adults.

Argentum's mission is to promote choice, dignity, independence, and quality of life for seniors. To support this mission, Argentum influences public policy, promotes business excellence, and ensures an informed public.

