



William A. Nelson,
PhD



John Donnellan,
FACHE

An Executive-Driven Ethical Culture

Healthcare executives play a key role in setting the tone for ethics.

An organization's culture plays a significant role in providing an identity to staff members and shaping their behavior. The culture encompasses many elements including shared values and beliefs, implicit and patterned assumptions that influence staff decisions, and observable characteristics such as dress, rituals and communication. Culture is a key driver in establishing and maintaining an ethical organization because of its effect on staff members' actions.

An ethics-grounded culture needs to be a top priority for healthcare executives because of its importance to quality care and, ultimately, the organization's success overall. The culture can never be taken for granted and may need periodic renewal.

Today's healthcare executives should review, reflect and, when needed, foster changes to their organizations' cultures. Conduct an honest, systematic review of your own executive behaviors and your organization's ethical culture. This can be done by using ACHE's Ethics Self-Assessment, available in the Ethics area of ache.org and once a year in *Healthcare Executive*, and by talking openly and honestly with your organization's ethics committee, senior leadership and staff. You

may be persuaded of the need for cultural change.

An ethics-grounded culture needs to be a top priority for healthcare executives because of its importance to quality care and, ultimately, the organization's success overall.

Improving the ethical culture is not easy, it takes time, and it will not happen by accident. It requires thoughtful, dedicated focus that actively involves healthcare leadership. There are fundamental components of an institution's culture—mission/vision/values; organizational structure, including a formal ethics program; and leadership behavior—that can address these issues and serve as building blocks for an organization's ethical framework.

Mission, Vision and Values

A healthcare organization must begin by establishing or reviewing the statement of values upon which the organization's mission and vision are grounded. Those values must be clearly communicated to

all employees, early and often, beginning with the interviewing process, reinforced during employee orientation and regularly acknowledged during performance reviews, public ceremonies, celebrations and awards. The statement of values should reflect the organization's commitment to integrity, transparency and safety in addition to quality and efficiency.

The mission, vision and values cannot be simply words in a document. The document should meet the expectation of all staff members. In addition, employee position descriptions and performance evaluations need to be aligned with organizational values. For example, the organization should place an emphasis on error reporting, patient disclosure and identification of safety vulnerabilities that is equal to the emphasis it places on achieving quality, utilization and financial targets. Staff should be acknowledged, rewarded and celebrated when behaviors exemplify organizational values. Leaders of healthcare organizations should consider celebrating actions taken by individuals or units that may not have achieved an intended objective, but that exemplify an unwavering adherence to the organization's values.

Mission, Vision and Values Checklist:

- Have your mission, vision and values been recently updated?
- Are all employees aware of the organization's mission, vision and values?
- Are the mission, vision and values integrated into all employees' position descriptions and performance reviews?
- Do clinical and administrative decisions reflect the organization's mission, vision and values?

An Effective Ethics Program

Healthcare executives must ensure that an effective formal ethics program infrastructure exists to both proactively promote ethical practices and clarify ethical uncertainty when needed. The ethics program should be system oriented and integrated into daily life at the organization.

The ethics mechanism should be available to address a broad array of issues beyond clinical questions. For example, it should have the capacity to address questions about resource allocation, organizational strategy and community mission. Executives should not only support ethics programs but openly use them in their decision making.

The challenge to leadership is to align the activities of the organization's ethics program or committee with the organization's values and other programs such as patient safety and quality improvement. The ethics program should be made clear to patients, staff, stakeholders, trustees and the community served and be responsive to their needs.

Executives need to support training of members of the organization's ethics program. And ethics program leaders in turn should provide educational offerings to staff, patients and trustees that are designed to reinforce organizational values, teach ways to resolve situations in which a conflict between observed behaviors and institutional values occurs, and discuss, through the use of actual case studies, how ethical conflicts were brought forward and addressed in the organization.

Effective Ethics Program Checklist:

- Does leadership openly and publicly support the ethics program?
- Are ethics activities integrated into the organization?

- Have ethics committee members been trained to address clinical and organization issues?
- Do all staff members have access to the ethics program?
- Are recurring ethical issues identified and addressed?
- Is staff moral distress acknowledged and addressed at every level in the organization?

Executive Action

The final component in building an ethical culture is having administrative and clinical leaders demonstrate an unwavering commitment to the importance of ethics. Linda Trevino, PhD, of The Pennsylvania State University, noted in a 2005 presentation that executive ethical leadership includes the leader's

behavior (moral person)—including traits, personal morality and values-based decision making—and the leader's ability to direct followers' behavior (moral manager), including role modeling and how the leader rewards and disciplines and communicates the importance of ethics.

Being a model for ethical behaviors is set in day-to-day actions and decisions. Lynn Sharp Paine, in a 1994 *Harvard Business Review* article (vol. 72, no. 2), challenged managers to "acknowledge their role in sharpening organizational ethics and seize this opportunity to create a climate that can strengthen the relationships and reputations on which their companies' success depends." Paine argues the need for organizations to design an ethical framework that is "... no longer a burdensome constraint ... but the governing ethos of the organization."

A key component in role modeling is openly discussing ethics and using the organization's ethics resources. When managerial performance targets are being determined or resource allocation and financial strategy is being decided, are the decisions made within the context of organizational values? When executive leadership establishes and embarks on new capital and strategic projects, such as an expansion of radiation oncology or the construction of a new emergency facility, is the decision reached using an ethically guided decision-making process? Or is it considered simply in the framework of a business decision? The use of an ethically guided decision-making process will assist the organization when making a public announcement about the decision and answering questions

that inevitably will be raised about lost opportunities (e.g., not to pursue expansion of home- and community-based services).

It is easy to publicly proclaim how decisions are reached following a process that ensures consistency with values. However, the true test of a leader's adherence to organizational values often comes in the most difficult of times—for example, the leader's willingness to publicly disclose activities such as fraudulent reporting, billing inaccuracies or safety violations. The Joint Commission requires healthcare organizations to conduct intensive investigations of actual or potential system failures that harm or might have harmed patients. Is leadership willing to take the additional step of widely disclosing the error, the analysis and the findings?

Ethics Leadership Checklist:

- Do clinicians' and administrative executives' actions reflect adherence to the organization's values?
- Does leadership openly talk about the importance of ethics?
- Are executive decision-making processes and decisions transparent?
- Do healthcare executives consult with the organization's ethics committee?
- Do healthcare executives serve as role models regarding ethical behavior and traits?

An ethics-driven culture is central to quality care. When unethical behaviors or even ethical uncertainty exists, the quality of care can be diminished. Staff members are

demoralized and less effective. The organization's culture is a complex dynamic that has evolved over time and includes both formal (policies, staff selection, decision processes, etc.) and informal (rituals, dress, daily employee relations and behavior, language, etc.) systems.

Healthcare executives play a key role in setting the tone for building, maintaining and, when needed, changing policies so the organization's culture becomes more grounded in ethics. Just as the current culture did not happen by accident or overnight, enhancing the culture will not just happen by chance—it requires attention, thoughtful review, careful planning and clear leadership. The benefits to an organization of having an ethical culture make the effort worth it. ▲

William A. Nelson, PhD, is director, Rural Ethics Initiatives, and associate professor of Community and Family Medicine at Dartmouth Medical School in Hanover, N.H. He also serves as advisor to the ACHE Ethics Committee and as faculty at the ACHE annual ethics seminar; programs also can be arranged on-site. For more information, please contact ACHE's Customer Service Center at (312) 424-9400 or visit ache.org. Dr. Nelson can be reached at william.a.nelson@dartmouth.edu.

John Donnellan, FACHE, is the Robert Derzon Visiting Professor of Health and Public Service at NYU/Robert F. Wagner Graduate School of Public Service and the former director of VA New York Harbor Healthcare System. He can be reached at john.donnellan@nyu.edu.