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Building an Ethical Organizational Culture

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The success of a health care institution—as defined by delivering high-quality, high-value care, positive patient outcomes, and financial solvency—is inextricably tied to the culture within that organization. The ability to achieve and sustain alignment between its mission, values, and everyday practices defines a positive organizational culture. An institution that has a diminished organizational culture, reflected in the failure to consistently align management and clinical decisions and practices with its mission and values, will struggle. The presence of misalignment or of ethics gaps affects the quality of care being delivered, the morale of the staff, and the organization's image in the community. Transforming an organizational culture will provide a foundation for success and a framework for daily ethics-grounded operations in any organization. However, building an ethics-grounded organization is a challenging process requiring strong organization leadership and planning. Using a case study, the authors provide a multiyear, continuous step-by-step strategy consisting of identifying ethics culture gaps, establishing an ethics taskforce, clarifying and prioritizing the problems, developing strategy for change, implementing the strategy, and evaluating outcomes. This process will assist organizations in aligning its actions with its mission and values, to find success on all fronts.
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SOON AFTER THE publication of *Crossing the Quality Chasm* by the Institute of Medicine in 2001, hospitals throughout the United States recognized the need to improve quality and value in the delivery of patient care.[1] To facilitate such an important need, many organizations sought to transform their organizational cultures as a foundational step to ensuring that care is consistently provided in an efficient and effective patient-centered manner. However, the path to a transformed organizational culture is not free of obstacles; reluctance can often be found among clinical and administrative staff members who are slow to recognize and accept the need for change and even slower to actively pursue it. Moreover, a mutually agreed-upon plan for improvement can be difficult to create and challenging to implement.

These and other challenges result from the depth and scope of culture in an organization. An organization's culture not only is created by its members but also affects the way its members think, feel, and behave.[2] Organizational culture reflects the personality of an organization and its members, including its morals, values, beliefs, traditions, staff practices, and customs, all of which are deeply ingrained in the everyday life of the organization and its members. It is these reflected traits that the leadership must aim to modify when transforming an organization's culture.

A key indicator of the need to transform an organization's culture is a lack of alignment between the mission and values of the organization and the daily decisions and behaviors of its staff. As Makary[3] notes, ''Much of the wide variation in the quality of your medical care can be explained by culture. . . Culture is why a nurse at one hospital will, following orders, administer

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a medicine even though she believes it was ordered incorrectly, while at another hospital, a nurse will insistently page the ordering doctor for clarification.''[p5]

This misalignment or ethics gap occurs when an organization's espoused values and ethical standards of practices are not in sync with its actual practices.[4] The presence of ethics gaps affects the quality of care being delivered, the morale of the staff, and the organization's image in the community. Although not often conceptualized in this manner by health care leaders, ethics, quality, and value are closely woven together. If questions of organizational quality arise, an erosion or violation of ethical standards of practice is generally to blame. Similarly, when ethical standards of practice are not respected, quality of care is generally diminished.[5,6] Therefore, the presence of ethics gaps and conflicts not only reflects a weak organizational culture but also contributes to one.

Because most hospitals have ethics committees, organizational leaders may believe that an ethics gap should be addressed by the organization's ethics committee. Depending on the effectiveness of the committee, it can be a useful resource in response to an ethics gap. However, ethics gaps are often recurrent problems that reflect a broader underlying system or organizational dynamics. There is reason to suspect that what is brought to the attention of an ethics committee is a small percentage of the actual number of ethics issues or gaps actually occurring. With a misalignment between organizational values and ethical standards and actual behavior, an ethics gap itself can become part of the organization's culture, contributing to the need for organizational change. As a result, when identified and accepted, it is a challenge that cannot be left solely to the ethics committee. The ethics committee should contribute to the effort, but the barriers to organizational change require a broader organization-wide effort.

This article proposes a practical and deliberative cultural transformation process to guide health care executives in creating an ethics-grounded culture. Ethical issues are brought to the forefront as a starting point for initiating change because they are all too frequently under-addressed drivers behind detrimental

CASE STUDY. Building an Ethical Culture at Northern Heights Regional Hospital

Northern Heights Regional Hospital (NHRH) is a comprehensive, nonaffiliated health care facility with a reputation for excellence. Located in a metropolitan area, NHRH delivers both inpatient care and multispecialty medical and surgical care. Northern Heights Regional Hospital treats 18% of the region's trauma victims.

Despite NHRH's long-standing reputation for excellence, financial pressures over the last few years have begun to deteriorate NHRH's ability to deliver care in a high-quality, high-value way. Many physicians, aware of the recent financial struggles, are rumored to be looking elsewhere for work, and 2 high-profile malpractice cases have suggested, to the local media, that the quality of care at NHRH may be diminishing. The Board of NHRH made the decision to let the chief executive officer (CEO) go; a search committee was then formed and a new CEO, Jedd Hull, a former chief operating officer with a record in ''righting'' health care organizations was hired 5 months ago.

After settling in, it becomes clear to Mr Hull that NHRH's problems are larger than financial and instead involve the organization's overall culture. Several examples make this point:

- A recent staff survey indicates several significant issues: a concern about the decision making of managers and executives; a concern about the lack of transparency regarding NHRH's financial outlook and that downsizing may be imminent; a perception that there is an acceptance of poor behavior among hospital staff; and a belief that the hospital's culture is based on fear and compliance to bureaucratic rules, with little support for staff to address ethics issues in an open, retribution-free environment.
- A grand rounds presentation using Dartmouth Atlas (http://www.dartmouthatlas.org/data/hospital/) data highlighted that NHRH is dramatically above the national average regarding end-of-life expenditures, suggesting that a significant overuse of nonbeneficial interventions exists as well

(continues)

CASE STUDY. Building an Ethical Culture at Northern Heights Regional Hospital, Continued

as the limited use of advance care planning documents.

- The chief medical officer was recently made aware of the actions of a physician at the hospital who had not disclosed her ties to a large biotech firm, of which she owns shares and is a paid speaker. When initially asked about the relationship by the chief medical officer, she was less than forthcoming.
- A recent ethics committee consult brought by several nurses concerning a patient ended with members of the committee feeling that the physicians involved in the case were openly disrespectful of the nurses; the physicians publicly argued against the committee's recommendation.

Mr Hull comes to the conclusion that despite being reported as separate occurrences, these and other examples are not mutually exclusive; the institution appears to be lacking ethical alignment between its mission and values and its practices, which is weakening its organizational culture, undermining its delivery of quality care, and contributing to its financial troubles. He believes that in no way is the organization "practicing what it preaches." Mr Hull feels that addressing the overall organizational culture is an essential first step to a 2-tier outcome: restoring quality to patient care and improving staff satisfaction and practices and consequently restoring the organization to success on the whole.

Mr Hull decides, in consultation with the Board of Trustees, to task a group to prepare and implement a step-by-step strategy proposing how the organization's culture and actions will become more ethically grounded and aligned with its mission and values. He carefully selects the chair and members of the task force (TF) and asks them to move forward to this end.

outcomes. A fictitious case is presented to provide a context for discussing this process.

Working to build an ethically grounded culture in an organization like NHRH is critical for success. Makary[3] writes in his book *Unaccountable* that "In places where the workplace culture is good, results tend to be better. In places where the workplace culture is bad, results can be tragic."(p169) Transforming organizational culture calls for first assessing the current reality within the organization and then working to define, communicate, and attain the desired state.[7] The model (Figure) builds on this approach and offers a basic step-by-step strategy for building or rebuilding an ethical culture in an organization.

IDENTIFY ETHICS CULTURE ISSUES

The organizational leadership must first recognize and acknowledge that the organization's culture is suffering, that it does not foster patient-centered care or reflect the organization's mission, vision, and values. Recognition may be achieved by a specific crisis, such as an awareness of diminished quality of care, financial problems, patient and staff feedback, or the presence of recurrent ethics gaps. This acknowledgement is essential and serves as the starting point for a challenging process. In the case of NHRH, the CEO became aware that recurrent ethics gaps, inappropriate clinical practices, and low staff morale were negatively impacting the organization's overall quality and value of care, as well as its bottom line, requiring immediate attention.

Once the leadership has recognized that a weak organizational culture exists, the findings should be presented to the Board. The formation of an Ethics TF should be proposed, charged with fostering a more ethically grounded organization through cultural transformation. The Board may be alarmed to hear the findings but will likely appreciate that the CEO is acknowledging the problem and is initiating an approach to change. The Board should approve the recommended Ethics TF and its mission, instructing the CEO to move forward in establishing it. In the case of NHRH, CEO Hull moved forward following the Board's approval, creating an Ethics TF.

ESTABLISHMENT OF AN ETHICS TF

After Board approval, the CEO should name the chair(s) and members of the Ethics TF. The

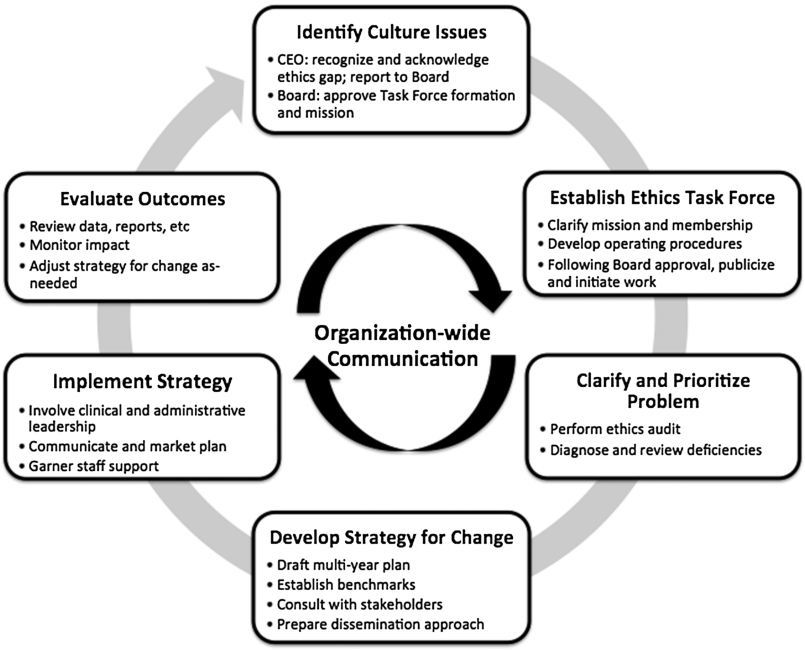

Figure. Process for creating an ethics-grounded culture.

TF should consist of clinical and administrative membership, from multiple backgrounds and specialties, which represent the diversity of the facility. Members may include a compliance officer, a senior physician, a nurse manager, a human resource official, the chief operating officer, a community or Board member, and the chairs of Quality Improvement and the Ethics Committee. Furthermore, bringing in high-level managers from various clinical and administrative departments will provide an opportunity to ensure that the leadership of the organization is included in the change process and in agreement about the problems and what step-by-step strategy might be used to address them. It is also crucial to include patient representatives as TF members. Because of the importance of the TF, the chair(s), at minimum, should have designated release time to focus on the multiyear effort of the TF.

Once the membership has been established, the TF should review its initial mission statement, set of goals, and operating procedures. These will likely evolve as the nature of the problem is clarified. Each member of the TF should also clearly understand his or her role and the work he or she will be asked to perform.

The TF might look to other organizations that facilitated cultural transformation or review the literature regarding culture change. The use of a change consultant may also be considered.

The existence of the TF, along with its membership, mission, and goals, should be openly communicated to the organization, such as in departmental or sectional meetings. There may be a formal ''kick-off'' Town Hall meeting that is led by the CEO and chairs of the committee to describe the mission and goals of the TF. The presence of the CEO is essential to highlight his or her commitment to the effort. The process of rebuilding organizational culture must be transparent and well communicated on a regular basis to all levels of the organization. The TF may consider creating a Web site or other venue for sharing information and collecting comments. The TF should have a procedure for addressing comments and responding to inquiries. Communication should flow both from the top-down and from the bottom-up. Careful consideration should be placed on ensuring that communication channels are in place so that all stakeholders feel involved in the process; this will be critical as the plan is implemented. Communication channels should be well

diversified and may include the organization's Web site, social media sites, e-mail blasts, Town Hall meetings, department meetings, posters, and others.

CLARIFY AND PRIORITIZE THE PROBLEM

In addition to reviewing the material that originally guided the CEO's decision, the TF should consider performing other assessments to clarify the scope of the problem, for example, performing an ''ethics audit''[8]: reviewing past ethics committee cases; soliciting feedback from staff and patients by holding focus groups; conducting organization-wide surveys, as was done at NHRH; identifying situations of poor quality care and patient nonsatisfaction; and so on. All levels of the organization should be sought out and actively engaged in the assessment process. Members of the TF should attend staff and departmental meetings to solicit feedback and communicate about the effort. The TF should use the results from the extensive review to gain insight into the organization's cultural strengths and weaknesses. In reviewing the information collected, the TF will be able to more accurately diagnose where exactly the deficiencies lie within the organization; this will assist in crafting a multiyear strategy for change and prioritizing the desired outcomes.[9]

DEVELOP STRATEGY FOR CHANGE

After the scope of the problem or ethics gap has been clarified, the TF should use this information to draft a multiyear strategic plan. The plan should aim to achieve a set of ideal characteristics for the new culture that are captured in the organization's value statements.[2] The TF must determine what these will be and how to achieve them. If it is determined that the organization's mission and value statements need to be modified, then this should be built into the strategic plan. The plan's goal to fully integrate the organizational values into the culture of the organization must be based on the TF's clear understanding and acceptance of those values.

The plan should include a working timeline, with realistic steps and benchmarks. Benchmarks may include items such as reductions in the number of ethics consults for certain types of ethics cases and the number of malpractice cases; improved staff morale based on feedback solicited from staff 6, 12, 18, and 24 months into the implementation of the strategic plan; increased financial outcomes; patient feedback; and others. Benchmarks will be unique to each organization and the deficiencies it faces. The measureable benchmarks will serve as guideposts along this process; they will also boost morale as they are met.

The action steps laid out in the plan should be attainable and reasonable. Consequently, stakeholders should be consulted when drafting the plan. Members of the TF should share the draft plan with department leaders for review and feedback. Clinical and administrative leaders should offer as much feedback as possible so that the action steps in the plan are attainable and result in positive outcomes. After the multiyear plan is refined, it should be presented to the CEO for final review and approval.

IMPLEMENT THE PLANNED STRATEGY

Individual action steps should be assigned to the appropriate parties, such as the ethics committee, compliance department, human resources, Board, and others. For example, the TF may call on the ethics committee to implement ethics guidelines in areas where repeated ethical conflict occurs or to review organizational policies or codes of conduct and mechanisms to discuss misconduct in certain areas.[10] Content experts, outside speakers, focused training days—including management training—system redesign, and educational forums should also be considered. As Knott et al[11] point out, strategies for change must plan to support people through the process, as well as enable, encourage, and engage them.

Each committee and department should complete its action steps in accordance with the TF timeline, and progress should be tracked according to the predetermined benchmarks. Communication throughout the organization,

to all organizational staff, will be critical at this step. The plan should be well marketed so that staff members are ''on board'' with the action steps necessary to implement the plan. Kimball[7] refers to this step as ''engaging the workforce.'' Employees should be able to describe why the change is necessary and why it is beneficial.[2] The TF may consider publicizing examples of positive behaviors that are already taking place—as models and examples of where the organization is going and what the desired state is.[1] The characteristics of an ethical organization should be clearly communicated to the community.

Transforming a culture requires persistence, dedication, and the accumulation of ''cultural capital.''[11] Each person in the organization must believe that his or her actions, resultant from the organization's stated values, are essential to the success or failure of the organization. Individuals must have a sense of self-efficacy and be confident that situations will be rectified as a result of their efforts. Building these beliefs within an organization is a critical step for successful transformation.

EVALUATE OUTCOMES

As the organization moves forward addressing ethics issues and transforming the overall culture of the organization, outcomes must be assessed on a regular basis. Communication up and down the organizational chain can help to ensure that measureable, meaningful goals are being used to evaluate the impact of the plan on patient care, the ''climate'' of the various departments, and that benchmarks are being met. Ultimately, the TF should continue to meet regularly for an extended period of time to monitor outcomes and constantly fine-tune and improve its strategic plan to most efficiently and effectively work within its unique organization and guarantee positive change.

Precisely how various outcomes will be measured and monitored over time deserves careful consideration. Most measurement systems monitor regularly occurring incidents. Variability in the process or outcome can be a sign of an inefficient system. Improvement plans should seek to reduce unwarranted variability in adherence to organizational values.[12,13] Ideally, ethical lapses, issues, or concerns will be infrequent. Traditional statistical process control charts track frequently occurring events or continuous processes. These measurement techniques lack the ability to quickly detect meaningful change among less frequent events. A G-chart, in contrast, measures the time between rare events, making it ideally suited to monitor ethical lapses.[14] It is beyond the scope of this article to fully explore inverse sampling theory, but it is necessary to make the point that it is possible to reliably and validly quantify the benefits of the systematic, proactive process that is advocated.[15]

DISCUSSION

The importance of having an ethically grounded culture cannot be overstated. The Ethics Resource Center, a nonpartisan, nonprofit research organization noted from 4800 respondents in a 2011 National Business Ethics Survey that ''the percentage of employees who say their business has a weak ethics culture increased to 42 percent, a seven percentage point surge and the highest since 2000.''[16] The survey identifies 3 metrics leading to weak ethical cultures: poor ethics leadership, little supervisory reinforcement of ethical behavior, and limited staff commitment to supporting peers in acting in accordance with organizational values.

Ideally, an organization should strive to be ethically driven, as Nelson and Gardent[17] point out in their paper ''Organizational Value Statements.'' A shared mission and vision, strong inherent core values and culture, ethical practices, and ethical leadership are key characteristics, obtained through guidance, commitment, communication, good integration, and regular review.

The most critical component of the process of obtaining an ethically grounded and ethically driven organization is the recognition that ethics gaps exist and that alignment between organizational values and actual behaviors is essential. In the case of NHRH, the CEO identified a series of problems reflecting this gap and actively communicated it to the Board—''Houston we have a problem''—and pursued righting it.

Despite the challenges, he focused the organization's energy on building an ethics-grounded organization as the starting point for success on other fronts.

There are many barriers to rebuilding an organizational culture, but these should not be considered impossible to overcome. With careful planning, implementation of a step-by-step process, measurement surveillance, and leadership support, organizations can transform their culture around shared organizational values. Regular, high-quality communication among all the leadership, staff members, patients, and community members is essential to success—and a demonstration of respect for those involved. That respect will go a long way in bringing employees ''on board'' with the change. Ultimately, the personal values, practices, and behaviors of employees in the organization both reflect and create the culture of that organization, so their assistance is critical.

CONCLUSION

Addressing a diminished ethical culture in an organization or building one from the ground-up will provide a foundation for success and a framework for daily ethics-grounded operations in any organization. This article has provided a continuous step-by-step strategy for reflection and to assist an organization in aligning its actions with its mission, which the authors strongly believe is necessary for any organization to succeed.

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