

# Book Reviews

## Managing Ethically: An Executive's Guide

Paul B. Hofmann and William A. Nelson,  
Editors

Health Administration Press, Chicago, 2001,  
276 pp., \$49.00 (hardcover)

THE FIELD OF BIOETHICS IS BARELY 30 years old, but it has already experienced several stages of development, the most recent being the incarnation of "organizational ethics." In this incarnation, bioethics has shifted its attention from decisions at the bedside to decisions in the board room. Moreover, bioethics is now no longer regarded as the provenance of the ethicist, the ethics committee, or the compliance officer; rather, it is the responsibility of executive leadership as well. *Managing Ethically: An Executive's Guide* is a product of this development as well as a tool to advance the progress made in health care ethics over the last 10 years.

*Managing Ethically* is designed to be a useful resource for busy health care executives. Built around 54 "Healthcare Management Ethics" columns that ran in the journal *Healthcare Executive* between 1992-2000, this text provides snapshot ethical perspectives on a wide range of topics. The book is divided into nine major sections, addressing leadership, community relations, managed care, mergers and integration, use of information, human resources, clinical ethics, organizational ethics, and institutional resources. Four appendixes contain helpful resources, including the American College of Healthcare Executives "Code of Ethics," "Ethical Policy Statements," and "Ethics Self Assessment Instrument" as well as ethics resources in print and on the Internet.

The approach used to produce

*Managing Ethically* has several advantages. One advantage is that the editors were able to draw on the thoughts of a wide range of respected academics and executives and to address subjects that have evolved over time. The articles in each section are arranged sequentially, from oldest to most recent, allowing a reader to see the range of issues that has arisen over the years. Moreover, a wide range of issues are addressed within a given section. For example, the "Human Resources" section covers ethical duties

to employees, sexual harassment, hiring practices, impaired executives, termination procedures, accusations and rumors of unethical conduct, trust, and physician payment. Another welcome feature is that half the articles begin with a question or scenario, to which the author responds. Indeed, the remainder of the articles would have been improved by this format.

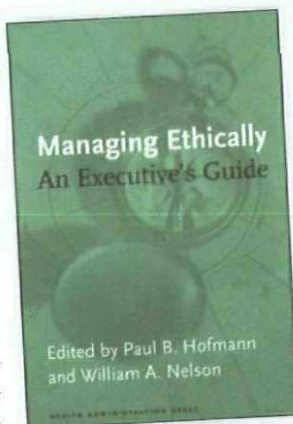
Each chapter covers a topic in a practical way; no chapter is more than four pages in length. One omission that should be addressed in a future edition are issues posed by advances in genetics.

Some disadvantages arise in a book derived from a collation of columns. The range of authors and the enforced brevity sometimes yield uneven results. Although some articles stand out ("Beyond the Margin") and overall quality is good, an occasional jarring (for an ethicist) definition (e.g., "in essence, the professional ethic asks . . . what would most of my colleagues do?" p. 179) or argument exists. The same brevity that makes for quick reading also means that authors cannot explain and apply a rich ethical perspective. The result is that the ethical advice at times seems somewhat like inflated common sense ("lead a life that embodies an exemplary system of values and ethics" and "clarify organizational values" p. 14). Precisely what is in question today

is how to justify and defend an "exemplary system of values" and how to sustain—over the long term and in the face of competing claims on attention—the deep values that give a health care organization a unique (and even noble) identity.

Ultimately, however, *Managing Ethically* is more than the sum of its parts because it provides quick and basic perspectives on a complex and evolving field. A future volume that built on this foundation—that detailed real-world struggles to work through the issues here only introduced—would complete a work well begun.

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## Health Care Strategy for Uncertain Times

Marian C. Jennings, Editor

Jossey-Bass/AHA Press, San Francisco, 2000,  
266 pp., \$49.95 (hardcover)

THE STATED PURPOSE OF THIS BOOK, written and edited by associates of Jennings Ryan & Kolb, is to "...provide health care leaders with the tools to reconceptualize and carry out strategic decision making in a new and unfamiliar environment." Based on the experience of these consultants and their assessment of organizational needs in the new millennium, the book takes a fresh look at strategic planning and priority setting in health care institutions and systems. A fundamental premise is that the pace of economic, environmental, and technological change will not abate in the coming years and, therefore, those with leadership responsibilities in health care organizations should consider new approaches for charting the organization's strategic direction and priorities.

"Health Care Strategy for Uncertain Times" includes 10 conceptually related

chapters that can be viewed as a succinct essay on a key facet of strategic thinking and planning. The text concludes with a compact list of "lessons learned" from the authors' experience in advising and assisting clients.

The first chapter addresses the growing levels of uncertainty and risk in the contemporary health care field and the implications of this reality for organizations and their leadership teams. It identifies the differences between uncertainty and risk, discusses key sources of uncertainty in the context of strategic planning, and indicates the importance of good information in reducing uncertainty and assessing risk.

Chapter 2 sets forth the premise that "...the fundamentals of strategic planning are applicable to any business or industry" but also identifies factors that uniquely influence planning in health care settings: extensive restructuring during the 1990s, multiple constituent groups (stakeholders) who hold divergent and often conflicting views on key matters, an "oligopsony" market situation in which a relatively small number of purchasers (e.g., the federal government) exercise extensive influence on the market, and the view held by large segments of the American public that "...unrestricted access to health care should be an inalienable right for all." This chapter also reviews the history of health planning in America, including the growing involvement of government in the 1970s and 1980s and the challenges associated with an increasingly turbulent environment. The authors differentiate "strategic thinking" from traditional planning, discuss the evolving roles of key participants in an organizational planning process, and provide an overview of their own "strategy cycle," which provides the basic framework for the remainder of the book.

Chapters 3 and 4 deal with the first phase of the authors' five-phase strategy cycle—"assessing the environment and envisioning the future through planning assumptions." In these chapters, the authors discuss both the complexity and

importance of these activities and describe specific tools and techniques that can be helpful in conducting them. The authors believe that many organizations devote insufficient efforts to environmental assessment, both internal and external, and that thorough work in this realm provides the foundation for future steps in the strategy cycle. The fourth chapter discusses the concept of planning assumptions ("...informed guesses about the future") that, in the authors' framework, constitutes a critical link between environmental assessment and the subsequent identification of the organization's strategic direction and strategies. Key market drivers in the health care field—from demographics to technological advances—are reviewed and specific techniques for developing planning assumptions are discussed.

The second phase in the authors' strategy cycle calls for organizational leadership to focus on the residual uncertainties that remain after diligent environmental assessment and the formulation of key planning assumptions. Chapter 5 discusses specific techniques that can be used, including scenario planning, decision analysis, and game theory. Both the benefits and the limitations of these techniques are discussed clearly. No panacea for eliminating uncertainty in the contemporary health care environment is offered; however, the authors believe these planning tools can "...help synthesize and weigh complex and uncertain environmental factors" to assist decision makers in formulating the organization's strategic direction and priorities.

The third phase in the strategy cycle involves the definition of the organization's "strategic intent": that is, what the organization is today, where it wants to go, and how it will get there. From the authors' perspective, an organization's strategic intent includes three distinct but interrelated components: its core etiology (its fundamental purpose, culture, and values), its vision statement that describes "where the organization wants to go," and its "market stance," which spells out in concrete terms how the organization intends to achieve its

vision. The authors indicate that an organization's strategic intent can take various forms, and they discuss several alternative forms as well as the key steps that are involved in defining strategic intent.

Chapters 7 and 8 discuss the fourth phase of the strategy cycle—the formulation of goals, strategies, and measures of success. The basic content of these two chapters will be familiar to many readers and can be viewed as rather straightforward "blocking and tackling" in strategic planning. Clearly stated goals, crisp strategies, and meaningful measures of success, in many ways, are at the heart of solid strategic planning. By the same token, of what value are goals or strategies if resources are not available to make them happen? This issue—and the growing importance of strong links between strategic and financial planning—are discussed pragmatically in chapter 8. The authors conclude, and I concur, that "Integrating financial and strategic planning has always been important, but it takes on critical importance during times of uncertainty while financial resources are dwindling."

Chapter 9 addresses the fifth phase of the strategy cycle (implementation) and emphasizes the simple truth that strategic intent "...has value only if it can be implemented successfully." How do some organizations and their leadership teams execute plans and decisions expeditiously and effectively, whereas others delay and stumble? The authors examine failed efforts to implement change and spell out factors associated with success. In this chapter, the authors draw on similar work by experts such as John Kotter. In itself, this chapter is a succinct *tour de force* that should be distributed widely, read with care, and provide a basis for dialogue within your leadership team.

Chapter 10, written by Ms. Jennings, summarizes key points from the preceding chapters, highlights traditional planning techniques that, from her perspective, remain valuable today and those she believes are no longer viable in this turbulent environment. This chapter also summarizes the most important lessons

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# EDUCATIONAL EVENTS

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## OCTOBER

### 4-5, 15-16; 25-26 FALL MEMBER STRATEGY SESSIONS

Baltimore, MD; Chicago, IL; San Francisco, CA

Continuing from last year, Catholic health care leaders will again work together on critical issues facing the ministry. The agenda will include the latest public policy issues and action steps on an array of ministry-wide initiatives such as leadership development and delivery system responses to new technologies. The meetings are designed for top leaders in Catholic health care, including system and facility CEOs, sponsors, mission leaders, advocacy coordinators, and other key positions. These sessions will begin at 10:30 a.m. on day 1 and end by 3 p.m. on day 2, with reception and dinner in between. Look for the agenda and registration materials this summer.

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### 18-19 FOUNDATIONS OF CATHOLIC HEALTH CARE LEADERSHIP

St. Louis, MO

During this interactive program, participants will examine the Gospel values supporting Catholic health care; the mission, ministry, and healing tradition; the structure of the Catholic church and its relationship to the health ministry; sponsorship issues; and the moral wisdom, social teaching, leadership competencies, and scriptural foundations that guide Catholic health care today.

This program is designed for senior-level executives (e.g., CEOs, presidents, vice presidents) new to Catholic health care organizations and their partners.

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## NOVEMBER

### 8, 15 AUDIOCONFERENCE ON THE ETHICAL AND RELIGIOUS DIRECTIVES

From its inception, American Catholic health care has functioned within a pluralistic society. Religious women and men collaborated with physicians, nurses, and other professionals from diverse cultures and religions and sought to serve the poor, sick, and needy, who likewise represented different backgrounds. The rapidly increasing ethnic, cultural, and religious diversity in this country presents new challenges to providers. While acknowledging the challenges of such diversity, Catholic health care has committed itself to be a community of service marked by mutual respect. Drawing from the *Ethical and Religious Directives for Catholic Health Care*, this session presents the theological and ethical principles foundational to this respect and proposes ways to address some contemporary, clinical, and ethical challenges Catholic health care providers face in a pluralistic society. It will be offered twice: on Thursday, Nov. 8, 2001, at 10 a.m. CST and on Thursday, Nov. 15, 2001, at 1 p.m. CST. Registration forms will be mailed to facilities and former site coordinators.

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that she and her colleagues at Jennings Ryan & Kolb have learned about strategic thinking and planning. These eight lessons are based on much experience, are well-grounded, and could constitute a good starting point for leadership teams who want to rethink their traditional planning approaches and cycles.

"Health Care Strategy for Uncertain Times" is a valuable contribution to the field's knowledge base. Its conceptual framework is well thought out, the content is based on broad experience in working with health care organizations, and it is well-written. My background includes executive responsibility for strategic planning in two large, multiunit health care systems, and I believe this book has value for boards, senior executives, and planning staff. In the health care field, we too often fail to learn from the experience of others and, as a result, reinvent many wheels. Discussing this book as a leadership team could be very useful as a starting point for reviewing and refining an organization's strategic planning process. In addition, the book can be valuable for students in financial management, health management and policy, planning, and public health. These, and other, graduate students will benefit from the experience and perspectives of Ms. Jennings and her colleagues.

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