



# ENSURING ACCOUNTABILITY IN DECISION MAKING

**W**hether their institutions are large or small, Catholic or secular, for-profit or not-for-profit, healthcare leaders routinely make decisions that may have a profound impact on their organizations and communities. Although decisions made by distinctly different organizations may, in the end, be surprisingly similar, the process used to reach those decisions defines an organization's commitment to its mission, values, and corporate ethics.

Four years ago the Sisters of Mercy Health System in St. Louis (SMHS) began to explore approaches to decision making that would ensure fidelity to the system's core values and mission. Several factors prompted the effort, including awareness of the significant challenges facing SMHS leaders in the changing healthcare environment and the growing number of lay leaders within SMHS. The goal was to identify the principles and philosophies that should always be part of how decisions are made within SMHS and to develop a framework that would ensure adherence to those principles.

Sr. Mary Roch Rocklage, RSM, president and chief executive officer, assigned the task to the SMHS Corporate Ethics Committee, which includes representatives from the system's sponsoring congregation, board of directors, and member organizations; ethicists; and other professionals from external organizations. Over the

## *A Step-by-Step Approach Applies Common Sense to Complex Issues*

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course of a year, the committee researched the decision-making processes being used in the system and talked to leaders and managers both inside and outside the system for their views. After the committee developed a prototype decision-making process, SMHS leadership groups and, ultimately, the board of directors reviewed the proposed methodology, and SMHS senior

**Summary** All institutions must routinely make decisions that may have a profound impact on their organizations and communities. The process used to reach those decisions defines an organization's commitment to its mission, values, and corporate ethics.

At Sisters of Mercy Health System in St. Louis (SMHS), a corporate decision-making process was developed over the course of a year and introduced systemwide in 1994. The process establishes a disciplined and accountable technique for evaluating initiatives, discussing options, and arriving at clear, values-based decisions. The process begins with two questions:

- Is the proposed action compatible with the organization's mission?
- Will the proposed action advance the mission in any significant manner?

Next, a step-by-step approach enables members of the decision-making group to consider the proposed action in light of the SMHS mission and values. Participants explore the implications of the decision from three perspectives: social vision, responsibility, and self-interest. They also consider the potential consequences of the decision on all affected parties, particularly poor and powerless people.

SMHS leaders have found the decision-making process brings clarity and comprehension to the task of making decisions.



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managers held mock decision-making sessions. The corporate decision-making process was finalized and introduced throughout SMHS in 1994. CEOs and mission leaders in SMHS facilities led training sessions with their boards and management teams as part of the education process.

### A DISCIPLINED APPROACH

SMHS's corporate decision-making process establishes a disciplined and accountable technique for evaluating initiatives, discussing options, and arriving at clear, values-based decisions. In practice, the process links the system's mission and values to its operations.

When any SMHS group—trustees, executives, managers, or staff—uses the decision-making process, they begin with two fundamental questions:

- Is the proposed action compatible with the organization's mission?
- Will the proposed action advance the mission in any significant manner?

Next, a step-by-step approach enables members of the group to consider the proposed action in light of the SMHS mission and values. The steps are:

- Presentation of the issue and background information
- Discussion of the issue
- Individual reflection on and prioritization of factors influencing the decision
- Expression of individual opinions and their rationale
- Discussion of the options and adoption of a recommendation or decision
- A recheck of the steps taken, to ensure fidelity to the process

During the discussion phase, participants explore the implications of a decision from three perspectives: social vision, responsibility, and self-interest. They ask:

- How will this decision affect our responsibility to and in the community?
- How will this decision affect each group to which the organization is responsible and accountable?
- How will this decision affect the organization's ability to improve?

Participants consider the potential consequences of the decision on all affected parties, particularly poor and powerless people.

The essence of the process is to apply commonsense principles to complex matters. "The process is intended to be effective without adding bureaucracy," says Sr. Rocklage. "Very simply, it ensures accountability in decision making, so that we truly 'walk the talk' of our mission and values."

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### THE PROCESS IN ACTION

SMHS leaders have found that the corporate decision-making process brings clarity and comprehension to the sometimes arduous task of making decisions. A good example was a decision involving Mercy Hospital in New Orleans. A sponsored ministry of the Sisters of Mercy for more than 75 years, Mercy Hospital was struggling in the early 1990s to remain vital in a community with an overabundance of hospitals. The decision-making process allowed hospital and system leaders to candidly discuss the situation and determine the best course of action. "We came to realize that the best way to continue our service was to develop a significant relationship with another organization, one that would complement the programs and services we could offer," said Sr. Barbara Grant, RSM, former president and chief executive officer of Mercy Hospital, and currently a member of the leadership team of the Sisters of Mercy—St. Louis Regional Community.

Using the process, hospital leaders established that the decision to merge with another local hospital, and, later, the decision to sell the merged operation, were clearly in the best interests of all stakeholders—the community, employees, physicians, sisters, and the health ministry.

"These were very, very difficult decisions; it would have been easy to be swayed by emotions," Sr. Grant said. "The decision-making process facilitated objective discussion in a way that was consistent with our values as a Mercy-related ministry."

Other SMHS-sponsored organizations have also had positive experiences using the decision-making process. In Oklahoma City, Mercy Health System Oklahoma's administrative staff

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## SYSTEM AT A GLANCE

The Sisters of Mercy Health System—St. Louis (SMHS) operates hospitals, physician practices, health plans, and related health and human services in Arkansas, Kansas, Illinois, Louisiana, Mississippi, Missouri, Oklahoma, and Texas. It is sponsored by the Religious Sisters of Mercy—St. Louis Regional Community. SMHS operates 20 hospitals, a managed care subsidiary (Mercy Health Plans), physician practices, outpatient care facilities, home health programs, and skilled nursing and long-term care facilities. Services are provided by 24,400 employees and approximately 5,600 physicians who are employed or practice at SMHS facilities. SMHS is the tenth largest multihospital system in the United States, based on net patient service revenue.

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and board have used the process frequently. In some cases, for example in 1996 when the system was considering acquiring another hospital, the process has confirmed the decision; in other cases the process has shown that the system was heading in a direction it did not want to go.


"Major decisions are so often driven by the financial numbers or relational issues," observed Bruce F. Buchanan, president and chief executive officer of Mercy Health System Oklahoma. "This approach puts the situation in the context of our mission and how decisions will affect the broader purpose of our organization."

Shortly after St. Anthony's Medical Center in St. Louis joined SMHS in 1995, its leaders used the decision-making process in connection with plans to renovate its emergency department. "The process led us to take a brand new look at the project, and ultimately to abandon everything that had been decided," said David Seifert, St. Anthony's president. "We are now rethinking our entire strategy." Seifert noted that doctors, nurses, and other people who work in the emergency department—not administrators—used the process and concluded "we were planning something suited for the past, not the future."

### PART OF WHO WE ARE

SMHS leaders hope that, as use of the corporate decision-making process permeates all system levels, it will become an integrated, instinctive way of approaching decision making.

The corporate decision-making process is already part of the culture at Mercy Health System Oklahoma, says Buchanan. "Over time, we are intuitively incorporating components of the process into decision-making at all levels," he said. "And each time we use it, the educational process continues. We learn more about effective decision-making and we learn more about ourselves." □

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## QUESTION OF VALUE

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## Attention to ethics must be consistently visible.

issues, business issues, institutional issues, and societal issues as well as medical issues. Every aspect of the institution's life is of ethical concern.

- Someone must be responsible for the endeavor. This could be a trained ethicist or someone who has other responsibilities but who also possesses a knowledge of ethics. But the responsibility for ethics should not be relegated solely to this individual. Ultimately it is the responsibility of everyone within the institution.

- Attention to ethics must be consistently visible. Mechanisms for addressing ethical issues include an ethics newsletter; periodic case conferences in which clinical, business, and organizational cases are considered; a "journal club" that meets to discuss articles in ethics journals; a noon-time lecture series that focuses on ethical topics; and a day or half-day dedicated to ethical topics.

### THE BOTTOM LINE

Ethics is essential to realizing the mission, values, and philosophy of organizations that claim to be grounded in a faith tradition and a faith stance. Ethics goes a long way in helping such organizations realize their distinctiveness in every dimension of organizational life. It can make a profound difference in shaping the identity and the behavior of the organization and its members.

Is explicit and sustained attention to ethics of any value? It is difficult to imagine a time when it would be of more value. So much of what faith-based healthcare stands for is being challenged by what is going on in healthcare itself and in society. Faith-based healthcare has an opportunity to offer a different perspective and a different way of doing things. □

## ORGANIZATIONAL ETHICS

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### GETTING STARTED

The cases above involve real issues that have been raised in actual health-care settings. They are presented here to give readers a sense of the variety of such issues, not to suggest that an ethics committee needs to be well versed in them all at the start. No committee is likely to be asked for help with such a wide range of issues—or not immediately, at least. As they did in their work in clinical ethics, committees dealing with organizational ethics can take some time to develop and evolve.

Although the cases cited here have been raised *precisely as ethical issues*, they have not been brought to ethics committees. It is an open question whether an ethics committee is the most appropriate mechanism for addressing such issues. It is certainly important that these issues be addressed carefully as ethical issues. And if the ethics committee is to assist in the ethical analysis, it needs to be prepared to do the job well. If, on the other hand, some other committee or person is given the responsibility, that committee or person also needs a thorough preparation. In either case, organizational issues should receive the same careful ethical attention that many healthcare organizations now routinely give to issues in clinical practice.

One service an ethics committee can perform immediately is sponsoring educational sessions on organizational ethics for its members and others in the organization. This is an important service that can be performed without delay.

Some institutional ethics committees are no doubt capable of "doing" organizational ethics well. But a committee that has devoted its attention almost exclusively to clinical ethics will acquire such competence only by devoting considerable time and energy educating itself in this somewhat different area of ethical analysis. □

 For more information about the case studies cited in this article, log on to CHAOnline, at <http://www.chausa.org>.