



Sustaining the Mission through Mergers, Alliances, Partnerships

By THOMAS E. EDELSTEIN, MAHCM, MBA, MA

When you know who you are, you know what you have to do and how you are to go about it. Leaders who are well formed in the charism of their mission know more than simply what they need to do. They also know how to honor the ministry they hold in trust. In the words of Sister of Mercy Mary Roch Rocklage, “If we do not sustain a viable enterprise, our doors will close. If we don’t sustain our mission, someone should close them for us.”

Among those relying on today’s leaders to sustain the ministry are the religious sisters and brothers who transitioned their beloved ministries to leadership by men and women who, increasingly, are members of the laity. Nevertheless, today’s leaders know that the ministry’s foundation is what differentiates Catholic health care from secular models. While many other providers offer quality services to patients and communities, it is faith-based health care whose foundational and ultimate defining purpose is to glorify God. M. Therese Lysaught, PhD, writes, “... the theological center of all that we are and do as Catholics is *caritas* in communion, God’s love manifest in communion.”¹

THE BUSINESS IMPERATIVE

Catholic health care’s challenge is to remain grounded in its self-understanding as a ministry. The imperatives of health care economics encourage Catholic health ministry leaders to consider new collaborations. In the course of approach-

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ing mergers, acquisitions and other alliances, every leader assesses the economic and business options that will best suit the organization and the communities it will serve in the future. These are new opportunities full of possibility, rooted in the signs of our time and grounded in what Pope Benedict XVI referred to as “an opportunity for discernment, in which to shape a new vision for the future.”²

Also at its heart is the understanding that Catholic health care is rooted in service of the common good. Church teaching frames this perspective as “a requirement of justice and charity.”³ Forming new partnerships thus offers the possibility of a future built on tradition that meets the needs of the day.

FOUNDATIONS FOR SUCCESSFUL INTEGRATION

Today, Catholic health care ministries are exploring opportunities to acquire other health delivery services that have their own heritage and traditions, purpose and cultures. As leaders assess the economic possibilities of an acquisition, they are wise to take into consideration the likelihood of cultural fit and the impact of bringing two cultures together.

Key to maintaining a culture is selecting partners whose tradition resonates with the values and charism of the acquiring ministry. When a



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Catholic health care service explores opportunities with an organization that does not share the same Catholic tradition, the acquired entity's disposition toward taking on Catholic identity must be addressed.

CHOOSE YOUR PARTNER

Choosing the right partner begins with developing a relationship in order to understand one another's core identities. Conducting a formal cultural assessment will help identify and articulate the heritage and traditions that have great significance to the acquired team members. A useful cultural assessment will involve intently listening to their

stakeholders: board members, leaders, co-workers and physicians. What matters most to them? What are the symbols that enrich their culture?

One helpful technique for gathering this kind of information is an online survey for all stakeholders. Recognize that the acquiring ministry is being sized up by the potential new partners, and the act of conducting an assessment provides an introduction and insight into whether or not it listens. What are the new stakeholders looking for you to bring to the partnership? What do the survey results indicate are points of resonance with your culture?

The survey results can frame discussions for



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focus group sessions with various groups, and the whole cultural assessment process needs to convey dignity, benevolence and trustworthiness. You need to talk about the points of connection. Talk about any areas of concern, too.

Sensitivity to the experience of being acquired helps overcome apprehensions and holds the potential of engaging the new partners. It honors the dignity and values, the heritage and traditions cherished by the community, including co-workers and patients, of the organization being acquired. Speak to these and honor them throughout the integration process.

The completed assessment should be shared broadly with the implementation team from the acquiring ministry. Team members should be encouraged to speak to these findings during introductory meetings with their counterparts at the acquired ministry. In meetings with stakeholders, senior leaders should acknowledge these shared understandings that will form the basis for a successful collaboration.

Having the combined business purpose and cultural fit defined and shared with key leaders of both entities sets the stage for a successful integration. This approach helps stakeholders to appreciate and articulate the rationale for the change, envision the future and find their place (or the possibilities) in the new, larger ministry.

To be sure, the best integration incorporates the valued aspects of the acquired entity's traditions by aligning them with the values, charism, tradition and Catholic identity of the acquiring ministry. If the assessment does not find significant shared values, common interests and vision, it is probably best to walk away from the table.

WHEN IT IS TIME TO IMPLEMENT

A thorough briefing of the implementation teams from both organizations begins to build the culture. The orientation should prepare team mem-

bers to thoughtfully discuss the business rationale, the benefits of partnering, the common culture themes and the possibilities that partnering offers. When the benefits are tied explicitly and credibly to the highest purposes of both organizations, the partnership is likely to be received well.

Implementation experiences for the acquired team usually is different from that of the acquiring team. It is smart — no, essential — to provide sensitivity training for team members from the acquiring organization before they meet with their counterparts. The act of merging two organizations involves a great deal of due diligence. For the acquiring team members, their assignment consists of checklists, tasks and deadlines. For the acquired, there will be multiple requests for meetings and documents with new faces,

CORE CONSIDERATIONS FOR ACQUISITIONS AND NEW PARTNERSHIPS

The most important questions to ask about a potential new partner are:

Is it willing to abide by the *Ethical and Religious Directives for Catholic Health Care Services*?

Is it amenable to working within a Catholic worldview, with church symbols and sacramental rituals?

Will its mission and values blend into Catholic expression?

Di Smalley, regional president of Mercy in Oklahoma, identifies three core considerations that accompany dynamic growth through acquisition:

Maintain the culture that attracted the organization to be acquired in the first place.

Honor the culture and past of the acquired entity.

Create a vision that offers opportunity for the newly acquired service and engages its team.

names, phone calls and emails.

Just below the surface for leaders of the acquired partner is a great deal of fear. Will I still have a job? What will become of all the work I have accomplished? What will happen to the processes and systems that I put in place? Will I — and the work I've been devoted to — be honored or disregarded? What will happen to my team?

Engaging human resources leaders in honest and open meetings with co-workers and leaders early in the implementation process helps answer these kinds of questions so the tasks of implementation can proceed without interference from potentially overwhelming personnel issues.

IMPLEMENTATION INSIGHTS

Before the implementation gets underway with due diligence, senior leaders, human resources and mission leaders can host meetings to get to know one another and allay some of the fears. If

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the acquiring entity has a history of successful integrations and mergers, invite the new entity to talk with those organizations.

Awareness and sensitivity make for a far better transition. As part of the orientation and engagement of the acquiring ministry's implementation team, the message to team members should include:

1 You represent the ministry and are the first experience of that ministry to the people you will meet. Your responsibility is to be a witness to the charism and spirit of your ministry. Your mission statement, values and charism should be evident in the way you approach your implementation tasks. Hold to this as a priority even when facing tight timelines and pressure to complete implementation tasks while carrying out other responsibilities.

2 Rather than diving into the details of task assignments, first make an appointment to meet with your counterpart and get to know one another.

3 Be respectful of time and responsibilities when requesting information, meetings or assignments.

4 Establish a repository for due diligence documents that is accessible to and frequently accessed by team members to avoid multiple requests for the same information.

The implementation team will need frequent reminders about sensitivity, patience and expectations. Mission leaders might consider beginning implementation team meetings with opening reflections addressing these kinds of matters.

For the acquired entity, transitions are best received when they are accompanied by ceremonies and celebrations, rituals and tangible personal acknowledgements throughout the process. Tie in shared values and those matters of importance identified in the cultural assessment frequently. Visible symbols are important:

- Blessings can be an uplifting ritual
- Senior leader rounding, with personal interaction, is valued
- Welcome posters from the acquiring ministry's other entities signed by their co-workers offer a personal connection to the co-workers of the merged entity
- T-shirts with the new logo can be distributed and worn on the day of transition
- Welcome meals hosted by the acquiring ministry will promote the sense of being cherished rather than being taken over

Together, these personal, caring expressions of solidarity should honor the past while generating excitement for the future. The message to those in the acquired organization is one of a caring ministry that embraces, rather than absorbs, them.

MISSION LEADERS

Part Six of the *Ethical and Religious Directives for Catholic Health Care Services* directly addresses the ecclesial responsibilities of Catholic health



care in forming partnerships. Encourage senior leaders to integrate the mission leaders early in the process to ensure that church requirements are honored.

The mission leader must be sure that the local bishop is apprised early and consulted often in the process. If negotiations are needed related to the Catholic expectations of the acquiring ministry, the bishop will want to weigh in to assure that the culture and practices of the newly combined organization meet acceptable positions, identity and practices for a Catholic health care service. Legal documents and shared understanding of board members and administrators will need to incorporate the spirit and specific requirements of these directives. The conceptual framework for forming partnerships is detailed in the introduction to Part Six.

“On the one hand, new partnerships can be viewed as opportunities for Catholic health care institutions and services to witness to their religious and ethical commitments and so influence the healing profession. For example, new partnerships can help to implement the Church’s social teaching. New partnerships can be opportunities to realign the local delivery system in order to provide a continuum of health care to the community; they can witness to a responsible stewardship of limited health care resources; and they can be opportunities to provide to poor and vulnerable persons a more equitable access to basic care.

On the other hand, new partnerships can pose serious challenges to the viability of the identity of Catholic health care institutions and services, and their ability to implement these Directives in a consistent way, especially when partnerships are

formed with those who do not share Catholic moral principles.”⁴

In summary, partnering between Catholic health care ministries and other entities is becoming commonplace because of the economic imperatives of our time. Today, such business arrangements are increasingly being made by lay leaders, many of whom do not come from the Catholic tradition. The issues associated with merging entities when one represents Catholic health care include due diligence regarding business, economic, legal, ecclesial, mission, personnel, tradition, heritage and community needs.

The most successful integrations occur when the process flows from and is informed by the heritage, mission and charism of the Catholic entity. The thoughtful integration of knowing who you are and witnessing to that awareness throughout the process honors what it means to be a ministry.

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NOTES

1. M. Therese Lysaught, *Caritas in Communion: Theological Foundations of Catholic Health Care* (St. Louis: Catholic Health Association, 2014), 8.
2. Benedict XVI, *Caritas in Veritate*, 21.
3. *Caritas in Veritate*, 7.
4. United States Conference of Catholic Bishops, *Ethical and Religious Directives for Catholic Health Care Services*, 5th ed. (Washington, D.C.: USCCB, 2009), Part Six, “Forming New Partnerships with Health Care Organizations and Providers,” Introduction.

JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

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Reprinted from *Health Progress*, September-October 2015
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