By Sr. Carol Tayor, CSFN, PhD

The Buck Stops Here

No one questions the need for astute financial leadership in today's market-driven health care environment. Less obvious to some is the critical need for moral integrity and leadership. This article explores the need for institutional moral leadership, identifies essential elements of moral agency, describes the culture or philosophy in an institution with strong moral leadership, and offers a tool for the evaluation of institutional moral leadership. In an accompanying article (see p. 40), Edward Gerardo, vice president of Planning and Business Development, Bon Secours Richmond Health System, Midlothian, VA, shares a working example of institutional moral leadership at its finest.

Ethics can be defined as the discipline that examines who we ought to *be* (focus on the moral agent, on character) and what we ought to *do* (focus on action, behavior) in light of who we say we *are*. In health care, we need to know who we are before we can say who we ought to be or how we should behave individually and collectively. Knowing who we are entails clarifying the basic assumptions each of us brings to the work of health care and having a dialogue with others about the accuracy and adequacy of those assumptions.

Clarifying Basic Assumptions

What follows is my list of basic assumptions about health care. I invite you to see if these are shared by each of your institutional leaders (board members, senior and middle management). If differences exist, what are they? How do they influence your institution's decision-making and behavior?

- We (those who design, deliver, finance, and evaluate health care) are all members of a moral community engaged in moral work.
- The grounding for our moral obligations is the fact that (1) the service we provide is necessary to human health and well-being (therefore the obligation of a moral society) and (2) the parties in health care relationships are unequal, resulting in the need for fiduciary versus contractual relationships (special moral obligations for all those who design, deliver, finance, and evaluate health care).

Sr. Taylor is director, Center for Clinical Bioethics, Georgetown University Medical Center, Washington, DC.

Organizational Integrity is a *Work in Progress*

Organizational integrity doesn't "just happen" as a function of good people doing good things in health care. It requires an intentional, persistent focus on the moral dimensions of the organization's purpose, function, systems, structures, decisions, and their consequences. It requires:

- A vision, a strong sense of mission and values, and a self-critical vigilance of fidelity to these items
- Dedicated time for moral discernment (reflection and dialogue) among leadership and a critical mass of employees
- A shared perspective/worldview among leadership and a critical mass of employees
- Morally astute, courageous leadership (board, senior management, middle management) that creates an ethos/organizational culture characterized by openness, honesty, trust, and mutual respect
- Leaders who recognize challenges to integrity and are willing and able to respond
- Leaders who expect individuals throughout the organization to hold one another accountable
- Leaders who expect creativity and risk-taking throughout the organization
- Leaders who recognize and act on the organization's obligations to the community and its responsibility for sound public policy
- Cultivated knowledge and use of clear moral rules to guide everyday decision-making and behavior at all levels
- A critical mass of individuals who are sensitive to the ethical dimensions of their daily decision-making and behavior and skilled in addressing challenges to integrity (personal and institutional)
- Institution-wide familiarity with appropriate organizational ethics resources (individuals and mechanisms)
- Confidence that these resources will stand up to any challenge
- An intentional, persistent focus on the organization's systems, functions, and infrastructure
- A coordinator of organizational resources to facilitate organizational integrity who has the assigned responsibility for and moral authority to "monitor" institutional integrity (this individual must be perceived as being authentic—as regards mission and core values—in their personal, professional, and institutional lives, and as possessing useful ethical expertise)
- A coordinator who identifies and intentionally uses organizational resources to promote organizational integrity: leadership formation/training, a compliance program, continuous quality improvement, ethics committee(s)

- American health care, as presently structured and delivered, is unjust and unsustainable.
- The same need for moral leadership exists as for financial, legal, and clinical leadership. At stake is the public's health and well-being, as well as its trust!
- Leadership is the ability to direct or motivate an individual or group to achieve set goals. Goal setting (strategic planning) and the processes used to achieve goals are *profoundly ethical matters.* According to Ralph L. Potter,[1] organizational ethics is *the intentional use of values to guide the decisions of a system.*
- Moral agency should be a criterion for hiring, advancement, rewards, and firing for all personnel—beginning with senior management.
- Assuming that all parties involved in health care are moral and that ethical matters will thus "take care of themselves" is not realistic.

Catholic health care adds to this set of assumptions a powerful motivation: We engage in health care to continue the healing ministry of Jesus. Our prophetic mission obligates us to be a transformative force for healing in today's world. Healing today's world will entail the skilled and intentional use of countercultural values to reshape the nature and direction of health care.

Integrity and Moral Leadership: Questions for Reflection and Discussion

Who are the constituencies to whom you are responsible? Whom do you serve? Can you rank these in terms of importance? Do you allocate time and attention daily according to these priorities?

What promises have you made by virtue of presenting yourself as a healer, trustee, administrator? How faithful are you to fulfilling these promises on a daily basis? How does this make you feel?

What standards can your constituents reasonably expect you to uphold? How well are you meeting these expectations?

What is at stake (for your personally, for your institution, for the constituencies you serve, and for the public at large) if these expectations are routinely not met?

What interferes with your ability to meet these expectations? Identify personal, institutional, professional, and societal variables.

Focus on the institutional variables that constrain your ability to practice with integrity. Does the ethos in your institution promote, challenge, or threaten your moral integrity? Are you better or worse at the end of the day for being in your institutional culture?

How does the institutional culture need to change to be true to its mission? What changes in the infrastructure are needed? How can you and others make these needed changes happen?

Focus on the societal factors that constrain your institution's ability to execute its mission. What is your institution's obligation to change unjust societal structures, and how well are you discharging this obligation?

What is your assessment of the adequacy of the moral leadership that exists in your institution? Can you identify moral leaders? Have you identified resources to assist staff members struggling with ethical uncertainties, dilemmas, or distress?

How might this reflection affect your institution's strategic planning?

Points of Tension

When institutional leaders and everyday decision makers hold different assumptions about the health care ministry, conflicts are inevitable.

Ministry versus Commercial Enterprise Everyday actions are affected if decision makers report to a leader who believes health care is a commodity to be bought and sold in the marketplace and equates success solely with generating revenues and reducing costs, rather than to a leader who believes health care is an obligation of a moral society or a ministry. Whether the leader sees the work of health care as a vocation or as a job is also an issue of great significance.

Moral Community versus "Solo Players" Members of a moral community understand the importance of working collaboratively in pursuit of common goals, such as meeting health care needs that individuals cannot meet alone. A common vision and sense of obligation bond and energize members of the community. Solo players set their own agenda and goals and may achieve personal success at the expense of others.

Cultivated versus Presumed Moral Agency An acknowledgment of the different aptitudes and abilities people bring to the task of acting ethically and the resulting commitment to intentionally cultivate and monitor moral agency creates an institutional culture that is very different from one in which everyone is assumed to be a good person and thus "ethics will take care of itself." Given the interrelationships between individual ethics, institutional ethics, and societal ethics, a good doctor, nurse, or CEO can become frustrated when the institutional ethos punishes doing the ethically correct thing.[2] Those in a well-motivated health care institution can also become frustrated when legislation, policy, and regulations make it impossible or exceedingly difficult to discharge societal obligations to meet health care needs.

Integrity and Moral Agency in Moral Leadership

Integrity and moral agency are concepts related to moral leadership that need to be understood as independent concepts.

Integrity Moral integrity can be defined as that condition or state in which moral activity (valuing, choosing, acting) is intimately linked to a particular concept of the Good. A health care institution or system has moral integrity if its lived values, decisions, and conduct square with a particular concept of a good health care system, such as is expressed in the Catholic Health Association's *Constitutive Elements of Catholic Identity* and the institution's mission, vision, and values.[3] Moral integrity matters because it allows patients and their families, the broader public we serve, and our employees to trust us. Employees of health care institutions learn quickly if their leaders value and witness moral integrity. A sobering check on an institution's moral integrity can be gained by taking the statement of the institution's core values and asking people in the institution to describe recent experiences of each. When were they treated justly? When did they treat others justly? When did they give and receive respectful care that affirmed human dignity? An inability to offer ready examples can provide a telling critique.

Moral Agency Moral agency is the capacity to act habitually in a manner consistent with moral integrity. It entails a set of competencies in ethical matters as well as moral character and motivation. Moral agency should never be presumed in a leadership candidate, just as intellectual or technical agency should not be presumed.

Essential elements of moral agency are:

- *Moral sensibility:* the ability to recognize the "moral moment" when a moral challenge presents itself
- *Moral responsiveness*: the ability and willingness to respond to the moral challenge
- *Moral reasoning:* the ability to use sound theoretical and practical approaches to "thinking through" moral challenges; these approaches are used to inform and justify moral behavior
- *Moral accountability*: the ability and willingness to accept responsibility for one's moral behavior and to learn from the experience of exercising moral agency
- *Moral character:* a cultivated disposition that allows one to act as one believes one ought to act
- *Moral valuing*: valuing in a conscious and critical way that squares with good moral character and moral integrity
- *Transformative moral leadership*: commitment and proven ability to create a culture that facilitates the exercise of moral agency; a culture in which people do the right thing because it is the right thing to do

Institutional leaders who value moral integrity take measures to develop an institutional ethos or culture that promotes the moral agency of every member of the institution. Forums in which questions like the following can be discussed are helpful.

- Are the vision, mission, and core values of your institution in sync with Jesus' healing ministry? Are they clearly articulated and reflected in the institutional culture/ethos? Are they "owned" by decision makers at all levels?
- Do opportunities exist for employees to talk about occasions when they see the institutional culture contradicting the stated vision, mission, and values or when they feel tension between "getting the job done" and "living the mission"?
- List descriptors you associate with being a *good* employee (health care executive, chaplain, surgeon, nurse, etc.). Then list the descriptors of a *successful* employee in your institution. Do differences exist between what makes someone a "good" employee versus a "successful" employee? If a discrepancy is found, what do you plan to do about it?

Survey of Institutional Integrity and Moral Leadership

Review the following hallmarks of successful institutional ethics leadership and evaluate your status for each criteria using the following scale:

1. Aren't we great! [Excellent]
2. We're pretty good aren't we? [Good]
3. We're moving in the right direction, but we have a long way to go... [Fair]
4. Are you kidding? [Poor]

Hallmarks of Successful Institutional Moral Leadership

1. Institutional leadership (trustees, executive management, medical leadership) have an explicit and common moral vision that is integrated into the planning, objectives, budget, and strategies of the organization.
2. Mission and core values are clearly communicated and alive in the attitudes and behaviors of all within the institution. Decision-making at all levels of the organization is aligned with the vision of integrity; no mixed messages. Community reputation squares with organizational mission and identity.
3. Mission-centered hiring is the norm; mission formation is structured and ongoing; mission authenticity is a criteria for performance evaluations.
4. Leaders/managers throughout the organization possess and use the moral agency needed to make ethically sound decisions on a day-to-day basis. Moral agency is a criteria for performance evaluations.
5. A core group of individuals with expertise in both mission and organizational ethics promote moral leadership within the institution. These individuals are known throughout the organization and respected for their expertise. They are perceived as being authentic and helpful—as evidenced by the frequency with which they are consulted.
6. Structures and policies within the organization facilitate moral integrity.
7. Our institutional ethos/culture supports people doing the right thing for the right reason.

• What happens when your institutional leaders make decisions not in keeping with the stated vision, mission, and core values? Does the institutional culture/ethos support holding one another accountable (up-down, down-up, and sideways) to the mission? What are your obligations (and related options) when institutional leaders are morally bankrupt?

• How is your team most likely to respond when experiencing a problem concerning patient safety or quality care? Do you try to ignore the discomfort and pretend there is no problem? Believe you are powerless to effect a solution? Commit your best energies to resolving the problem?

The **box** on p. 38 offers a set of questions to guide ethical reflection and discussion on institutional integrity and moral leadership.

Evaluating Moral Leadership

We cannot presume institutional integrity and moral leadership in our health care ministry; now is the time to hold ourselves accountable in this regard. Board members are exquisitely prepared to evaluate an institution's or system's finances and are adept in holding senior management accountable for market share and financial performance. Boards seem less skilled in raising questions about moral integrity and the trust an institution engenders from its patients, employees, and the public. The **box** on p. 39 concludes with a sample survey tool of institutional integrity and moral leadership. ■

NOTES

1. Ralph L. Potter, "From Clinical Ethics to Organizational Ethics: The Second Stage of the Evolution of Bioethics," *Bioethics Forum*, Summer 1996, pp. 139-148.
2. John W. Glaser, *Three Realms of Ethics: Individual, Institutional, Societal*, Sheed and Ward, Kansas City, MO, 1994.
3. Catholic Health Association. "Constitutive Elements of Catholic Identity," In *Foundations of Catholic Healthcare Leadership*, Catholic Health Association, St. Louis.

SUGGESTED READINGS

Hall, Robert T., *An Introduction to Healthcare Organizational Ethics*, Oxford University Press, New York, 2000.

Lynn Sharp Paine, "Managing for Organizational Integrity," *Harvard Business Review*, volume 72, March-April, 1994, pp.106-117.

Edward M. Spencer, Ann E. Mills, Mary V. Rorty, et al, *Organizational Ethics in Health Care*, Oxford University Press, New York, 2000.

Leonard J. Weber, *Business Ethics in Healthcare: Beyond Compliance*, Indiana University Press, Bloomington, 2001.

By EDWARD F. GERARDO

Mr. Gerardo is chief development officer, Bon Secours Richmond Health System, Richmond, VA.

Organizational Ethics Case Study: The Bon Secours Richmond Contract Renewal

The personnel of an organization make scores of decisions daily, often in direct response to the needs of a customer or to make operational improvements. Virtually all decisions have financial consequences for the organization and, on careful examination, reflect the values of that organization and staff. Most of these decisions take place in the context of a situation with discrete parameters, recognizable consequences, and frequently a well-established culture and value system that suggests the appropriate course of action. These "habits" guide the routine of the organization. Occasionally, however, significant events call for a decision that may profoundly

JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES www.chausa.org

HEALTH PROGRESS®

Reprinted from *Health Progress*, September-October 2001