INTRODUCTION TO ETHICS

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This chapter is relevant to the following competencies identified in the ACHE Competencies Assessment Tool (see p. xxv):

Communication and Relationship Management
- Identify stakeholder needs/expectations
- Sensitivity to what is correct behavior when communicating with diverse cultures, internal and external
- Facilitate conflict and alternative dispute resolution

Leadership
- Potential impacts and consequences of decision making in situations both internal and external
- Create an organizational culture that values and supports diversity
- Assess the organization including corporate values and culture, business processes, and impact of systems on operations
- Encourage a high level of commitment to the purpose and values of the organization
- Serve as the ethical guide for the organization

Professionalism
- Organizational business and personal ethics
- Professional norms and behaviors

Knowledge of the Healthcare Environment
- Socioeconomic environment in which the organization functions

Business Skills and Knowledge
- How an organization's culture impacts its effectiveness
- Organizational mission, vision, objectives, and priorities

Learning Objectives

After completing this chapter, the reader will:

- understand the importance of mastering the language of and various perspectives on ethics for healthcare administration;
- gain a general appreciation of the variety of normative approaches and the possibility of conflict and uncertainty among them;
- be able to differentiate between various levels of ethical relevance (individual, organizational, social); and
- be introduced to various ethical resources for the organization.

Introduction

Talking about ethics for the leaders of healthcare organizations is a daunting task.

The literature of ethics, both in professional contexts and in ordinary language, presents a bewildering array of connotations and implications. This chapter is intended to introduce the language of ethics, give examples of different ways in which it can be relevant to the leaders of healthcare organizations, and contextualize and illustrate how it is relevant to both internal and external decision making—important for the individual members of the organization, the organization itself, and for the larger society. Later chapters will expand in greater detail on specific issues relevant to the administration of this important social institution.

Why This Audience?

The administrator's role is an important and difficult one.

You are not in medical practice per se—although many people most influential in healthcare administration do come from, or have experience of, clinical roles. But the organizations you serve are a crucial part of the chain by which healthcare is delivered to the members of the society in which you operate.

You may not deliver direct care to the patients who are the main reason for the existence for your organization, but the decisions you make affect that care, and you are often the person who is held responsible when things go awry. Your organization structures and coordinates the important social resource of care delivery and, like an individual, will be judged by the values it reflects.

You are required to master many skills and knowledge areas that are peripheral to the various professionals with whom you interact daily, while

nonetheless required to discriminate between excellent and inadequate performance in a variety of specialized clinical and administrative areas.

You are a professional, influenced by your own code of ethics. But an important part of promoting excellent care and performance requires communication and negotiation with other professionals bound by their own codes. Finding or forming a common language in which to carry out those negotiations can be challenging and may require sensitive exploration of the moral foundations that underlie many disagreements.

Your role in the institution is critical for its success. Every decision you make has implications for your **stakeholders**, a wide variety of individuals, groups, or institutions, internal and external, who are immediately affected by the operations of your organization. (For a more complete discussion of stakeholder theory, see Chapter 4, "Business Ethics and the Healthcare Organization.") Stakeholders of healthcare organizations include the patients your institution serves, the professionals and other employees who labor within it, the board or owners who govern its operations, the community that houses your institution, the regulators that oversee its operations, the organizations that partner or interact with it, and the larger society by which you are constantly scrutinized—politicians, journalists, affected community members, fellow citizens.

Stakeholder
Any individual or group, including the community, that is affected by the activities of an organization.

For these reasons, an understanding of the language of ethics and the various (sometimes competing and contradictory) **ethical standards** and values by which you and your organization are judged is important to a healthcare administrator. Administrators make decisions on behalf of the organization, and three rules of thumb are important to keep in mind as you deal with the day-to-day issues that come to your attention:

Ethical standards
A belief about how we should behave.

1. Decisions made by individuals in the organization have ethical implications for organizational morale, reputation, and viability.
2. Decisions made and actions taken on the organizational level have ethical implications for individuals in the organization.
3. The operation of the organization has ethical implications for the social environment within which it operates.

Keeping this perspective on the role of leadership will help you strategize to maintain the integrity of your organization as you work to ensure its viability.

The Language of Ethics

Although the terms *ethics* and *morals* are often used interchangeably, the distinction is one of the degree of abstractness. Morality describes the norms, values, and beliefs embedded in social processes that define right and wrong for an individual or community; the language of ethics is how we talk about those norms and values (Crane and Matten 2007).

When we hear that someone has been accused of immoral or unethical behavior, we tend to understand the meaning in terms of the context of practice in which the accusation arises. In Congress, "ethics" often reduces to accepting bribes or doing the bidding of contributors. In the academy, it is frequently associated with plagiarism or falsifying research results. Corporations or charitable organizations are considered to have behaved unethically insofar as they are revealed to have carried out their operations in ways that damage or exploit workers or people living in their immediate environment or have pocketed or misapplied charitable contributions. Even nation-states are popularly condemned—for genocidal operations on subgroups of their own populations, for aggression beyond their borders, or for systematic failures to live up to their own espoused ideals.

Obviously, such a wide range of application of terms of ethical praise or condemnation makes it hard to pin down the specific content of ethics language. The very vagueness and versatility of the language of ethics are what make it so powerful. To paraphrase Justice Potter Stewart's famous quote, we may not be able to precisely define what we mean when we respond to something as unethical, but we know it when we see it. Spelling out why some decision or consequence in the context of healthcare can be considered ethical or unethical may involve recourse to a number of different principles or values.

Normative Uses of Ethical Language

The realm of ethical language is the realm of human choices and decisions. We have wishes, desires, and intentions toward specific results in the world, and we formulate strategies and embark upon courses of action to bring about those desired results. We find ourselves in situations that demand of us some course of action and must decide among alternatives how to "do the right thing" or act "for the best."

We use ethical language when we praise or blame, approve or disapprove of, the actions, intentions, or character of an agent. We speak of "the right thing to do," of our duties and obligations, our responsibilities, privileges, and rights. We worry about honesty, telling the truth, just (or unjust) rewards, treating people fairly. Another word for *ethical*, and one that is not as tightly tied to the level of individual action, is *normative*. Like ethics,

normativity is associated with goals and values and with our choices of the means to attain them.

Non-Normative Uses of Ethical Language

Not all uses of those same terms are necessarily normative, but we can usually tell the difference. The "right" tie for this shirt is not the morally better tie but the one that looks best. A "bad" tomato is not evil or blameworthy, but it may be too ripe to be used in a salad. People who live in glass houses really shouldn't throw stones, but that may be more of a practical recommendation than a moral one. In addition to the moral implications of our actions, personal, political, economic, or (as in the case of a glass house) prudential considerations also play into the decisions we make.

Relation to Law

Breaking the law or disobeying or ignoring regulations is generally acknowledged to be unethical. But not all unethical behavior is illegal. Typically the law, in its permutations of regulations, standards, codes, statutes, and accreditation, is designed to enforce moral minimums. For instance, illegal behavior, breaching well-established and socially agreed legal boundaries, is almost universally considered unethical. The broader category of ethical behavior is a supplement and corrective to the narrower and more specific realm of illegal behavior. Often ethical breaches and the public disapproval following them have led to changes in regulations and codes to bring them more in line with the (changing but important) wider ethical standards. And the converse may also be true; sometimes obeying a given law can be argued to be unethical in terms of a competing moral obligation. In such cases we may see that laws or policies become more liberal to accommodate changing social mores. Conscientious objection, an appeal to moral considerations that are claimed to justify disobedience to socially sanctioned laws or regulations, represents a case in which it is claimed that legal behavior would be unethical. Organizations, as well as individuals, can appeal to conscientious objection. For example, some hospitals with religious connections are exempted from providing some healthcare services expected of other hospitals.

Three Poles of Ethical Judgment

Ethical judgments tend to fall into three categories, centered around the poles of agent, act, and effect. We formulate wishes, desires, and intentions toward specific goals or values—results we wish to bring about in the world around us. We formulate strategies and embark upon courses of action to bring about those ends, those desired results. We find ourselves in situations that demand of us some choice and try to figure out how to act for the best and do the right thing (Frankena 1973).

Typically we have justifications—reasons or grounds—for our use of ethical language, whether we articulate or examine them or not. Having ethical promptings, our moral intuitions, that are always clear and unequivocal would be nice. But how often does that happen in administration? Sometimes we have conflicting reactions or inclinations, stemming from different layers of our socialization as moral beings. (We learn from interaction with our social environment that some choices and behaviors are more acceptable than others. As we move from the narrow family circle into the extended social network, then into stages of schooling, eventually perhaps into socialization into the professional ethics of a specific social role, the internalized permissions and prohibitions from the various layers of our moral onion-self may reinforce each other or contradict, depending upon the homogeneity of the society in which we mature.)

Sometimes we have good reasons for wishing to choose both of two mutually exclusive courses of action. Sometimes we have reasons to regret actions or decisions we know are obligatory. These gut reactions are useful information, the data of our normative lives.

Meta-Ethics: Types of Ethical Theory

Philosophers have long dreamed of one simple ethical theory to explain and reconcile all our sometimes-competing moral judgments, and many have suggested candidates. The only problem is that the theory-candidates are all different, and none of the competitors has as yet won the field. Rather than routes to moral truth, the theoretical alternatives are something like "important but partial contributions to a comprehensive, although necessarily fragmented, moral vision" (Steinbock, Arras, and London 2009, 9).

These theories tend to fall into one of three categories, each taking as ethically primary one of the three poles of ethical judgment: the intentions or character of the agent, the nature of the action contemplated, or the ethical value of the goal or end of the action. To be really adequate, a theory must account for all three poles but may consider one of the poles to be determinative of the moral value of the other two. Because philosophers have been dreaming of "the ultimate theory" for so long, you will not be surprised to learn that the three major theory-types have Greek names.

Aretaic, or virtue-theories, take as the basic determinant of the moral value of a course of action the character of the agent from which the action stems. (*Arete* is Greek for excellence and is often translated as "virtue.") The primary ethical judgment, then, would be something like "His action was courageous." The virtuous man, according to Aristotle (350 BCE), would always do the right thing in the right way at the right time to the best effect, having been well raised and acting out of a fixed disposition to behave in an appropriate manner. (To give him credit, Aristotle did consider ethics

properly a subdivision of politics and acknowledged that the excellence of the results of the actions of a virtuous man would be dependent upon the excellence of the society in which he was living. The plight of the moral man in immoral society has been a theme of books, plays, and poems ever since.) Benevolence and justice always appear among the list of virtues.

Deontological theories emphasize the moral value of the act itself. Some actions are obligatory or prohibited regardless of the motive or the consequences. (*Deon* is Greek for "duty.") Promise keeping and lying are examples of kinds of action that carry their own implicit moral value. "Do what is right, though the world should perish," Kant is purported to have said (Zwiers 2007). There are varieties of deontological, act-centered moral theories. Act-deontologists consider the basic judgments of obligation to be particular: "In this situation, I should do *x*." Rule-deontologists tend to prioritize rules or principles, of varying generality. "Don't be evil," the unofficial motto of Google, may be the commercial equivalent of the Hippocratic injunction "Do no harm." So-called situation ethics and bioethical principlism tend to be interpreted as deontological (Frankena 1973).

Teleological or consequentialist ethical theories (from the Greek *telos*, end or goal) focus on consequences, the effect or result of our choices and acts. The suggestion is that the moral end to be sought in all we do is the best possible balance of good over bad—with "good" and "bad" being interpreted non-normatively, in terms of natural preferences, such as pleasure or happiness, or nonmoral goods, such as efficiency or safety. For instance, acting in this way rather than that may produce a situation with a net balance of pleasure over pain. This fact about the *result* is what makes this act morally preferable, normatively "better," the right thing to do.

Consequentialist theories include ethical egoism (where the good to be considered accrues to the agent alone) and universal consequentialism, of which the agent is not the only intended beneficiary. Jeremy Bentham (1776), who termed his theory *utilitarianism*, expounded, "It is the greatest happiness to the greatest number of people that is the measure of right and wrong."

Like deontological theories, utilitarianism too has "act" and more general, or "rule," versions. Act-utilitarians ask, "What effect will my action in this situation have on the balance of good in general?" General or rule-utilitarians, as the name suggests, ask rather, "What effect would this action in this situation have on that balance if everyone in a similar situation acted similarly?" Or, considering the role of rules or principles central to moral action, they may decide that "in this situation, the rule that best applies tells me that I should (tell the truth, keep my promise, meet the contractual obligation)." The rules, for the universalistic consequentialist, are determined by considering what rules will best promote the general good.

The codes and standards of behavior for members of a given society have to do with the conditions of our lives together, and that renders salient issues of justice and care—including equitable distribution of resources, fairness, attention to the needs of the less advantaged, and relationships. Movements such as communitarian ethics, feminist care ethics, and contemporary versions of contract theory address this need and apply the language of ethics beyond individual agency to larger social interactions. In this communal context, the structures and processes of our social institutions are no less important than the actions of individuals. The various approaches to ethical theory we have described are attempts to systematize widely accepted common morality, and, as we can see even in the move from "act" to "rule" levels of generality, are intended to be applied to the larger social context as well as to the individual context.

Applied Ethics: From Theory to Rules of Thumb

Of course no one facing choices picks a theory and deduces from it the proper way to behave. We operate on gut reactions, rules of thumb, or experience of results in analogous situations—we navigate through life on our accumulated moral training, experience, and sensitivity. (See Chapter 7, "Moral Distress and the Healthcare Organization.") For that reason, the term *applied ethics* is controversial, implying a kind of top-down relation of ethics to actual situations. The situation itself prompts our ethical reactions, and our responses are seldom systematized enough to count as any one theory. Some approaches to ethics start from this level of particularity and may work up to formulation of general principles (what Immanuel Kant might have called "maxims") without ever attempting to formulate a more universal rule.

In another sense of *applied*, what constitutes ethics in various professional or institutional fields has been explored considerably. Business ethics, professional ethics, journalistic ethics, engineering ethics, and our area of interest, healthcare managerial ethics, have all been the subject of considerable study in recent years. In those fields, the approach typically centers on cases, an approach canonized in the literature as casuistry (Jonsen and Toulmin 1990), with the cases often being discussed in terms of principles or maxims drawn from all of the theories discussed here (Beauchamp and Childress 2008). In the chapters that follow, reference to particular cases will be helpful in calling attention to the ethical implications of the practical decisions that are the bread and butter of healthcare administration. Seeking out the values implicit in the conflicts represented by particular cases will help you seek resolutions that best contribute to the ethical operation of your organization.

Moving Beyond the Individual: Ethics and Organizations

This introductory chapter presents the healthcare organization as analogical to the individual, as an agent with a particular character, acting toward goals and values that are common to all such organizations but with individual variation depending upon the specific history and self-definition of a particular institution. How the organization acts—the strategies and policies, the choices and decisions that operationalize these values and determine how they affect the day-to-day work of your institution—are to a great extent the responsibility of the leaders, the healthcare administrators.

In the twenty-first century clearly not all actions are the actions of individuals. Collectives act as well and are judged on the nature of their actions and their consequences. Ethical expressions—such as right and wrong, just and unjust, good and bad—are used to evaluate institutional and social values, decisions, and outcomes. We hold organizations and, as noted previously, even social systems and individuals morally responsible. We describe, analyze, and evaluate motivations, practices, and outcomes on at least three levels:

1. *Micro*: the level of the individual ethics, scrutinizing character, actions, choices, and results.
2. *Macro*: the level of political theory, where we apply moral criteria to the arrangements and ideologies of entire social systems or their institutions: "an unjust society," " a cruel penal system," "an irresponsible dictator." Although judgment of the acts of individuals and their consequences may be the origin of some of our normative language, there are obvious and common social uses as well. For instance, political theorist John Rawls (1971) refers to justice as "the first virtue of social institutions."
3. *Meso*: Between the micro and macro levels lie the collectives for which you are responsible as administrators, the level of organizations: corporations, clubs, unions, churches, businesses, and systems. Neither preprogrammed instruments of the larger society nor merely the sum of the interactions of the individuals that compose them, organizations are important agents in their own right. Proper appraisal of their goals, actions, and effects requires us to speak of them in ways that are borrowed not only from ethics but also from social and political norms.

For you as future leaders of organizations, appreciating this intermediary position is particularly important. Your institution is itself a collective; a member of a collective consisting of similar organizations, your peers, and

contractors; and an individual constituent of the collective that is the larger society. Some of the things that most affect your organization are internal to it. Actions of individual members can affect the morale or reputation of the whole organization. Other important challenges for administration are external. Some changes in the larger society—changes in regulation, reimbursement, or health policy—will affect the operation of your organization.

Organizations are instruments designed to attain certain specified goals. In the case of healthcare organizations, the goal is provision of certain kinds of healthcare to specified populations, and the success—indeed, sometimes even the survival—of the organization depends on the extent to which the performance of the organization meets the expectations of the society that supports it. The structure and processes of the organization, of which you are custodians, are the means of delivering this care.

The Role of Ethics in Organizational Leadership

Readers should keep some important things in mind regarding the role of ethics in organizational leadership:

Normative judgments
Evaluations in moral terms.

- **Normative judgments**, evaluations in moral terms, can be made not only of individuals, but also of collectives—and indeed, they are constantly being made by all the stakeholders, internal and external, of your organization.
- Individuals accrue not only moral responsibilities to their own character, intentions, and choices but also responsibilities stemming from their role and the positions they occupy in various formal and informal social institutions: their families and friends, membership in cultural or social affinity groups, their job responsibilities, and their professions.
- Institutions, like individuals, occupy social roles and are held responsible for how they meet the obligations that their role determines.

Organizations as Ethical Agents: Values and Virtues

As agents, organizations act toward certain goals or ends—effects that they are designed to achieve and specific values that accompany those effects. As an institution in our society, a healthcare organization aims at sustaining and improving the health of the members of society, with particular subgroups designated by the kind of organization in question. Rehabilitation centers

serve a specific purpose, as do psychiatric services. Hospitals are typically oriented toward acute care and can include emergency and trauma centers, operating rooms and surgical services, and intensive care units. Children's hospitals serve an age-limited population.

From the standpoint of teleological ethics, as instruments of policy directed toward goals or ends that are not themselves necessarily moral in nature, the moral excellence of an organization is a function of its success in reaching those goals. The Institute of Medicine (2001) has suggested specific values or goals to be pursued by any excellent healthcare system: Care should be safe, effective, patient-centered, timely, efficient, and equitable. Other sources express the values to be pursued by the healthcare organization in explicitly ethical terms. The Institute for Ethics of the American Medical Association (Ozar et al. 2000) suggests the following values to guide organizational decision making, noting that they are not listed in order of priority: patients' healthcare services, professionals' expertise, public health, unmet healthcare needs, advocacy for social policy reform, relationships with clinical staff, management, employees and affiliated professionals, organizational solvency and survival, and benefit to the community. The Joint Commission (2011), responsible for accrediting healthcare organizations, makes the normative explicit: The leadership of the institutions subject to accreditation is charged to "carry out their patient care and business arrangements in an ethical manner."

Of course, any administrator—indeed, anyone familiar with the operations of any healthcare organization—can instantly see the strengths and the weaknesses of these universals. They are all worthy values for aspiration. But what happens when they conflict? If a patient desires care that is ineffective, which of the values takes priority? And what about your responsibility for the economic viability of your institution? What if the more effective medicine for a given syndrome costs ten times—or 100 times—more than the second most effective pharmaceutical? Resource management is the most important responsibility of the healthcare administrator and can present the greatest ethical challenges.

Hospitals and other healthcare organizations formulate mission statements and ethics codes that express the values they profess, tailored to their individual service area. The values included typically express responsibilities to both internal and external constituencies—fair treatment for employees, responsiveness to social expectations, and standards for internal operations. Determining those values, balancing and prioritizing in light of current needs, and frequently revisiting them are important for keeping the various parts of the organization moving in a unified way toward its goals.

When Values Conflict

Demands for the highest quality and quantity of excellent care likely must be balanced with the need for fiscal responsibility and the maintenance of the organization's survival and viability in a competitive environment. Think of the resulting problems in terms of value conflicts, and strategize to maximize the outcomes in ethical terms. Communication skills can become crucial in leadership. Listening to and talking with affected stakeholders can ensure that competing or conflicting values do not lead to an impasse or an adversarial situation. If you can articulate the situation in a way that acknowledges the values at stake, you can make the most of them and contribute to mutual understanding, even if consensus is not always attainable. Mutual understanding allows for mutual respect between individuals or departments, whose priorities may, for good reasons, differ in controversial situations.

Organizational Character: Culture and Climate

We speak of moral agents as having good or bad character, which often means their habitual patterns of action, their immediate response to typical or unusual situations, and the goals or values that they prioritize. A handy way to talk about these concepts for organizations is to speak of their culture and climate.

The mission, goals, and collective activities of an organization create its culture—"the customary or traditional ways of thinking and doing things which are shared to a greater or lesser extent by all members of an organization," according to Jaques (1951). For example, the culture of a tertiary medical center, capable of high-tech interventions and trauma care, is different from that of a small community hospital with no emergency room (Chapple 2010). Even different service units in the same hospital can have different minicultures; maternity wards and transplant services work toward their shared values with very different styles.

Organizational culture
The customary or traditional ways of thinking and doing things, which are shared to a greater or lesser extent by all members of the organization and which new members of the organization must learn and at least partially accept in order to be accepted into the service of the firm.

One component of **organizational culture** is of particular relevance to the administrator. The **ethical climate** is the functional analogue of the character of an individual, and it is defined by a shared perception of how ethical issues should be addressed and what constitutes ethically correct behavior for the organization (Victor and Cullen 1988). The character of a collective is something that the individuals in it can judge by their experience of what the ethical expectations are and whether they are expressed in the actions and atmosphere of the organization. How do the people in the organization feel about the extent to which the values espoused by the institution are actually implemented? Institutions are subject to normative judgments concerning the extent to which they accommodate the moral agency of the individuals within them. Morale is sure to suffer if too much of a gap exists between organizational behavior and the expectations of its members, especially with

respect to values that affect working conditions. (See Chapter 7, "Moral Distress and the Healthcare Organization.") A number of organizations, including the Department of Veterans Affairs and the American Medical Association, have developed useful instruments for sampling institutional character, various "ethical climate" surveys (Fox et al. 2007; Wynia et al. 2010).

Managing Structures and Processes

The healthcare organization is complex and hard to classify. Some of its functions—billing, inventory, supply chain management—require precision and tight quality control, quasi-mechanical operation. Other tasks intrinsic to the institution require flexibility and room for individual judgment. Compartmentalization, hierarchy, and strict role definition are among the strategies that allow this complex organization to fulfill its various functions. This need for simultaneous rigidity and flexibility makes it hard to apply the standard categories of organizational theory to healthcare organizations. As some observers have noted, the hospital is a setting where "leadership roles are shared, objectives are divergent, and power is diffuse" (Denis, Lamothe, and Langley 2000).

Is the healthcare organization best conceptualized as a rigid system with some flexible parts, or a flexible system with some compartmentalized areas where rigidity is important? How you think about your organization can make a difference in your managerial strategies and value priorities. One common way of thinking of some organizations is as analogous to organisms. Just as an injury in an appendage or an organ affects the total function of an animal, a signal event or a disruption in an administrative unit can affect the whole hospital. Another way of conceptualizing the healthcare organization, and one that is finding increasing resonance, is as a complex adaptive system (Mills, Rorty, and Werhane 2003; Plsek 2001). This way of thinking about the organization emphasizes the interdependence of the systems, subsystems of the whole, and emphasizes our dependence on, and vulnerability to, changes in our external environment.

The healthcare organization is structured in departments that operate according to varyingly rigid or flexible rules, standards, and procedures. Establishing and implementing the various processes and systems that move the work of the healthcare organization forward is a managerial responsibility, as much an art as a science. Integration, coordination, intercommunication, and cooperation of these different functions—business, clinical, professional—is the challenging task of the hospital administrator.

Although values may be shared, individuals with different responsibilities may prioritize them differently, and insofar as the values of different parts of the organization are out of alignment, its function is impaired. So in healthcare managerial ethics, as in clinical ethics, communication is crucial.

Ethical climate
Shared perceptions of how ethical issues should be addressed and what is ethically correct behavior for the organization.

Listening to the reasons for the choices and decisions of the leaders of different functional units is the best route for achieving a possible balance among competing needs. Open discussion and transparency within leadership, and between leaders and their constituent members, contribute to an organization's ability to move with mutual understanding toward shared goals. Alignment of values is important not only between leaders and within the organization but also between the organization and the community it serves (Denis, Lamothe, and Langley 2000).

The healthcare organization is interpenetrated on all levels by normative demands and influences of agents external to the organization. Not all the policies, regulations, standards, and laws that govern the operation of your organization are under your control: various regulators, accrediting agencies, evaluators, and legislators impose parameters on healthcare organizations within which they must operate. (See Chapter 10: "External Requirements for Ethics in Healthcare Organizations.") You do not have the option of ignoring these externally imposed requirements, and the challenge for leadership is to implement them in ways that maximize excellent patient care and minimize possible ethical conflicts and dilemmas for your professionals and staff. In this area managerial style is expressed. How the various positive and negative incentives associated with processes are implemented is important for morale, for community trust, and for excellent leadership.

Allies in Ethical Management

The healthcare organization has a number of normative loci devoted to various aspects of excellent organizational function. Compliance programs pay attention to legal and regulatory obligations. Quality assurance and risk management are important allies in defining and determining how to carry out the procedures that represent the organization's values. Institutional ethics committees, although often narrowly prescribed (see Chapter 5, "Clinical Ethics and the Healthcare Organization"), can be useful for wider organizational ethics projects (see Chapter 6, "Professional Ethics and Healthcare Organizations"), and some have healthcare organizational ethics subcommittees specifically designated to deal with ethical issues that do not fall within the traditional clinical ethics areas. Some healthcare organizations have leadership ethics councils or operations committees. Some institutions associated with academic medical centers have relations with ethics centers. When ethics is recognized as important to the organization, it is less likely to be viewed as a compartmentalized silo and acknowledged to be a value distributed throughout the culture of the organization (Spencer et al. 2000). This understanding allows for the better integration of the contributions of each individual and functional unit to the whole.

Conclusion

The healthcare organization is a Hippocratic institution. In all its operations, it is directed toward the same ends and values as its professional members. The ethical conduct of those operations is as central a concern for the administrator as is their effectiveness and efficiency. This concern for the ethical aspects of its structures and processes pervades the institution and requires of you the fair and fitting distribution of its resources—time, labor, and money. Not only individuals, but individual components—departments and services—are value driven and subject to judgment about how their activities contribute to, or detract from, the ethical valence of the organization as a whole.

As a leader *in* your organization, your own character—your personal and professional integrity, honesty, empathy, and commitment—are under scrutiny. Your skills of communicating values and of listening to the responses and concerns of others are in constant demand. As a leader *of* your organization, your sensitivity to the ethical expectations of both the people with whom you work and the communities you serve is one of the basic requirements of your position.

This chapter has highlighted the importance of values for the daily operations of and the long-term viability of the organizations you serve, affecting both your team's morale and your organization's reputation. The values your organization espouses and furthers, and the structures and processes by which they are operationalized, are your responsibility as a leader.

Points to Remember

- Conflict and uncertainty about specific issues often involve underlying value differences or differences in priorities of shared values and can best be resolved by attention to those more basic issues.
- The efficiency and effectiveness of a healthcare organization depends in part on the alignment of values, among the leaders, between leaders and their constituency, and of the organization as a whole with the values of its partners and community.
- Reconciling competing needs and obligations requires a familiarity with different ethical approaches and sensitivity to the values they represent. Some familiarity with the language of ethics can provide one tool for this demanding task.
- A leadership role in a healthcare organization involves both individual and collective ethical responsibilities.

- Janus, the Roman guardian of doorways and city gates, had responsibility for both the people inside the house or city and those outside. For this task he was given two faces and elevated to the status of a god. Your role as leader and administrator is liminal in the same way—although the reward is seldom as great.

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