Trustee Insights

Empowering a Healthy Culture

Boards play an important role in cultural change

BY ANN SCOTT BLOUIN

Health care boards face increasingly complex governance challenges. As financial pressures increase, other aspects of governance compete for the board's attention and focus. One aspect that can get less attention than it deserves is the development of a healthy culture.

Why do organizational cultures matter so much to the overall success of today's health systems? Who creates these cultures? How can a board help influence a culture that needs to change? And how do board members understand what values and behaviors the culture truly reflects, versus what may be articulated in written reports to the board?

Organizational cultures are complex and differ quite significantly across and within health care organizations. In large organizations, there are usually an overall culture and numerous additional department "subcultures." A complex health system may have a variety of distinct subcultures.

An analogy to help understand these variations is that culture is to an organization or department what personal character and values are to an individual human being. Culture can be viewed as all the unwritten practices and behaviors that can be

"telltale" signs of a positive culture, supporting an emphasis on high-quality patient care, transparency,

---

American Hospital Association™
Advancing Health in America

teamwork and honesty. This emphasis results in employees and physicians who enjoy working at that health system and/or in that department.

Let's focus first on positive cultures. What are the results of a

ered in the context of *self-interest* (is the person more interested in personal gain/impact rather than high-quality, safe patient care?)." Health care systems with positive cultures recruit and retain staff and

the results of these assessments? Is there feedback to the staff who completed the assessment? And are there action plans and account-abilities for areas needing improve-ment, with tracking and continuing follow up until improvements are sustained? How should this infor-mation be presented to the board, including progress on areas where the culture is less than positive?

Culture is carried by the people who work in an organization or within a department. The board and senior management define the mission, vision and values. But if "living those values" isn't positively and consistently translated and rein-forced all the way up and down the "chain of command," front-line staff can perceive that the organization "doesn't walk the talk."

Discord between actual behav-iors versus desired values results in lower health system staff satisfaction (including medical staff satisfac-tion) and weakened organizational loyalty. This lower staff satisfaction results in lower scores on the Hospital Consumer Assessment of Healthcare Providers and Systems survey, which are partially tied to reimbursement.

Eventually, or sometimes rather quickly, these lower satisfaction, engagement and loyalty results can increase employee and physi-cian turnover, which is very expen-sive. One estimate for replacing a registered nurse in acute care today ranges from $38,000 to $61,100, varying with the geographic region.[2] The financial impact of losing a physician who is loyal to the organization can be many thousands of dollars; the cultural impact among other physicians may

Examining Your Culture

Use a variety of data sources to understand what values and behaviors the culture truly reflects (versus what may be articulated in written reports to the board).

QUALITATIVE INFORMATION

- Board rounds on patient care units, where trustees interact with staff about patient care concerns
- Patients and families attending board meetings to discuss their perceptions of care, any safety events or "near misses," and staff's interactions
- Shadowing a nurse or other staff member for a portion of their shift during "Hospital Week" or another time

QUANTITATIVE INFORMATION

- Metrics (quarterly, annual, year to year) that explain staff satisfaction, retention and turnover, with action plans for areas of concern
- Quality and safety culture metrics, with comparisons to peers, if possible
- Human-resource data summaries from exit interviews and employee griev-ances, especially from areas known to be troubled

culture where actions match values? These types of health care systems weather adversity more effectively, since the staff's trust in the board and management is high — a trust that is earned as management demonstrates prompt actions to fix problem areas.

A wise physician colleague of mine once said, "Trust is a func-tion of *authenticity* (is the person genuine?) combined with *reliability* (if someone says he/she will do something, is it actually done?) combined with *credibility* (does the person have the necessary exper-tise and competencies?), consid-

physicians more effectively; commu-nication flows freely in all directions; and patient care quality and safety improves, ultimately resulting in improved financial health.

Avoiding a Troubled Culture

Recognizing the impact that culture has upon patient safety and quality, as well as its relationship to patient and staff satisfaction, the Joint Commission requires its accredited hospitals to assess their culture.[1] Hospitals can use a variety of instruments to perform these assessments. But what happens to

translate to a perception that the board and senior management aren't listening to their physicians and are indifferent about the consequences of cultural dissonance.

Further, a troubled culture invites cynicism and lack of candor about patient care problems and safety concerns. This can be dangerous, as quality and safety concerns may go unreported, potentially resulting in patient harm events. As staff "hunker down" in their own departments, there is a sense of "we'll do the best we can because we cannot count on leadership to help us." This sense of fatalism infects new employees, who usually come to the health system excited to begin and grow in their careers. Dissatisfaction and even animosity can emerge when staff believe leaders (including the board) don't care (or don't *appear* to care) about their health and safety, their work environment and, ultimately, the patients served.

Rising to the Challenge

What should a board examine to get a true sense of the culture? Both qualitative and quantitative information can be enlightening. Several reported data sources include those displayed on page 2.

Boards should augment this examination with leading practices to empower a healthy, positive

culture. For example, I believe the board can and should expect transparent information from the CEO, who must share real issues voiced by staff and physicians at the organization. Retrospective quantitative data on past culture surveys will not suffice to understand current problems. The strategies noted previously can help enhance the board's awareness of areas needing change. But boards need to begin addressing problems by setting goals for improving the culture and subsequently holding the CEO accountable.

Other leading practices include bringing in objective observers to validate the board's assessment of

troubled areas and, if necessary, changing one or more of the organization's senior leaders if progress doesn't occur, just as the board would do if financial health isn't improved.

In summary, organizational culture begins and ends with leadership from the health system, the medical staff and the board. If the culture doesn't reflect the stated values, the staff knows — it's not a secret. The key challenge for the board is to assure that information about patient care and staff concerns is being shared freely with the board; that areas requiring cultural improvements are promptly identified, with actions and accountabilities developed and tracked; and that the improvements result in better quality and safety outcomes that can be sustained over time.

Ann Scott Blouin, R.N., Ph.D., FACHE (*ann@psq-advisory.com*) is the president of PSQ Advisory, a firm based in La Grange, Ill., focused on improving quality and safety in America's health systems. She is a board member of the Institute for Healthcare Improvement and two entrepreneurial health care companies. Her prior roles included the executive vice president for customer relations and accreditation/certification operations at The Joint Commission.

Endnotes:

1. *The Joint Commission Hospital Accreditation Standards*. Oak Brook, Ill.: Joint Commission Resources, 2018.

2. Nursing Solutions, Inc., *2018 National Health Care Retention & RN Staffing Report*. Available from:
   http://www.nsinursingsolutions.com/files/assets/library/retention-institute/nationalhealthcarernretentionreport2018.pdf