Culture Is King: Strategies for Developing and Maintaining an Ethical Culture

Marianne M. Jennings
Professor Emeritus, Arizona State University
Steven W. Orquist
Founder & Principal, Arete Compliance Solutions

The Control and Power of Culture

- How, what, and why things are done
- Rules vs. Culture
- “Culture determines and limits strategy.”
  - Dr. Edgar Schein
- Paraphrased by many:
  - “Culture eats strategy for breakfast.”
  - “Culture eats strategy for lunch.”
  - “Culture trumps everything.”
Motivational Points for Changing Cultures

- Patient harm
- Regulatory sanctions (CIA or DPA)
- Survey results or repeat reported events
- Third-party influence: cultural assessment; negative management reports

The Categorical Imperative

- How does it relate to the shades of compliance & ethics?
- Does an organization work on this individual by individual or at the organizational level?

Sikhism: treat others as you would be

Christian Principal: Do Unto Others

JUDIASM:

May I do unto others as I would that they should do unto me.

Plato

What you hate, do not do to anyone else.
Transition From Compliance and Reporting to Ethical Culture

The 6 Culture Influences

- Leaders
- Language
- Enforcement
- Financial Drivers
- Unwitting Messaging
- Belief That We in Health Care are Ethical
Financial Drivers

What you measure
What behaviors result
Data cross-comparisons (Analytics)

Financial Drivers

• How does an organization manage for margin/profit without creating unintended consequences?
• How can you best recognize areas where data cross-comparisons would help?
The Belief in Health Care
That WE Are Ethical

Ends and Means
Rules vs. Taking Care of Patients
Conflicts? Never!

Hypothetical

Patient comes to the ED with a severe hand injury that must be addressed immediately. Hand surgery specialist usually on call is unavailable, so ED calls an alternate provider who requires hospital to guarantee payment at Medicare+ rates for all service provided. Hospital does not have a prior written agreement with the alternate provider.
Our Language

Lack of Introspection
Regulator bashing
“Not really a big thing”
Doesn’t everyone have a corporate integrity agreement?

• How can compliance professionals work with leaders on language?

• Does lack of introspection relate to the categorical imperative discussed above? Is this an individual or corporate issue? How should it be addressed?
Unwitting Signals

What we talk about daily
Whether we have ethics discussions (not training)
Management Mantras
Who We Hire and Who We Promote
Who We Fire

A hypothetical

• Several of the chain’s senior executives were participants in a meeting during which a physician, who was doing a presentation, made several sexually suggestive “jokes.” The senior executives said nothing at the time, and no action was taken regarding the physician’s actions. The physician continued with his pattern of behavior. The explanation for no action was, In the grander scheme of things, his actions are not worth pursuing. “This is just his personality.”
• Have you seen particular strategies for ethics discussions that work well in organizations?

• How to you help management send the right messages consistently?

Enforcement

Timeliness
Consistency
Firing the “Stars”

“Enforcement is to organizations what integrity is to individuals.”
• Do you have any insights from your work with organizations on particular strategies that work well for assuring consistent and appropriate discipline?

Leadership
Boards
Executive Management
Compliance officer’s reporting, relationships, and seat at the table
The risk of using leadership video messaging and ethics “talks”
• Is the compliance officer’s reporting relationship really crucial to success?

• If so, how do you persuade an organization that this needs to change?

Changing Culture
The importance of visible and dramatic change for a real culture shift
Leadership changes
Board involvement
Investigation backlogs
Restructuring
Another hypothetical

- E-mail to all employees:
  - “Our officer team is now committed to change. What happened at X hospital and in billing was wrong, and XYZ Health will move forward with complete dedication to compliance and ethics.”
- Response from one employee: “But they had to know what was going on. How could they not?”