

Advocate Health - Midwest

SHARE @ Advocate Health - Midwest

Historical Documents - Combined

Advocate Health - Midwest History

e-Ethics, 2003 April

Advocate Aurora Health

Follow this and additional works at: <https://institutionalrepository.aah.org/alldocuments>

What Is Organizational Ethics?

Most ethical inquiry, as in clinical or professional ethics, concentrates on the moral responsibility of individuals. In contrast, “organizational ethics” examines the ethics of the healthcare organization as a whole. It asks: What is the organization’s ethical responsibility to patients and families, the wider community, employees, and other stakeholders? Organizational ethics considers the actions of individuals insofar as the organization they represent is affected by—or shares accountability for—their conduct.

Critics object that the very notion of organizational ethics is wrong-headed. After all, don’t individuals make decisions, carry them out, and bear ultimate accountability?¹ An ethical focus on “the organization” can provide individuals an “out”—a way to evade personal responsibility. This point is important. Yet in everyday conversation we routinely treat organizations as responsible parties. It is, for example, common and appropriate for Advocate associates—and for patients, families, and the public—to ask or comment about what “Advocate” is doing or will do in some area of concern.

Furthermore, individuals are influenced by organizational culture. Every organization has its culture, and usually subcultures as well. These shape individuals’ perceptions and actions. The existence of such influences does not absolve individuals of responsibility, but the cultural environment can make it easier or more difficult for each person to live out the organization’s “official” norms

and values. The attitudes and practices that develop within organizational culture are never fully aligned with formally stated values, policies, and expectations. Organizational ethics helps organizations identify and rectify the disparities. It aims to promote a climate in which individuals consistently experience moral support from the organization. In the end, organizational ethics encompasses *both* the individual’s responsibility for conduct as a representative of the organization *and* the responsibilities of the organization as a whole,² including its obligation to support—and certainly not to hinder—associates in living out its values.

In health care, organizational ethics raises questions such as these:

- How should the organization address actual or potential conflicts of interest on the part of those (at all levels) who represent the organization?
- In light of its mission, what is the healthcare organization’s responsibility to its employees? What may it rightfully expect of them? What are the ethical dimensions of recruiting, hiring, compensating, disciplining, and dismissing employees, or undertaking workforce reductions?³
- In the clinical arena, how does the organization protect “the integrity of clinical decision making” from actual or perceived effects of compensation agreements or financial risk-sharing arrangements?⁴
- What is the organization’s moral basis for deciding which health services to offer or expand, and which ones to reduce or discontinue?
- What are the ethical founda-

tions for compliance with various regulations, such as the HIPAA Privacy Rule? Are there ethical reasons to exceed what regulations require?

- How does the organization choose its partners? What should it expect of current or potential partners, such as vendors or donors? What are the organization’s obligations to those partners?

- What is the appropriate relationship between the healthcare organization’s interests and the interests of patients and families, the public, associates, and other stakeholders?

- Does the organization have a social responsibility to manage its investments according to ethical investment criteria that supplement the standard expectation of maximizing return on investment?

These questions only begin to suggest the range of concerns that organizational ethics considers. They encompass areas that an organization’s mission and values will also address. In Advocate, there are substantial affinities between organizational ethics and implementation of Advocate’s faith-based Mission, Values and Philosophy (MVP). Organizational ethics can support mission implementation in many ways. For example, it continually assesses the “fit” between what the organization says in its mission and values and what actually happens in practice. When inconsistencies emerge, the task of organizational ethics is to understand them and suggest practical ethical remedies.

Further, there may be a need to interpret the faith-based organiza-

What Is Organizational Ethics?

tion's values and show concretely how they can guide practice. Central organizational values are usually stated broadly. They are often subject to varying, even conflicting, interpretations.⁵ Organizational ethics explores the meanings of these values and suggests how associates may apply them when conflicts arise.

The concerns of organizational ethics include areas that are subject to law and regulation. Today healthcare organizations address many legal concerns through "corporate compliance" programs. In Advocate, corporate compliance falls under the mantle of the Business Conduct program, which also considers a range of other concerns.

Not only do organizational ethics and corporate compliance programs share important interests, but their approaches can complement each other significantly. Because the primary purpose of corporate compliance is to promote conformity with laws and regulations, compliance programs have tended to "emphasize rules, monitor employee behavior, and discipline misconduct."⁶ They have focused on avoiding legal wrongdoing and reporting potential instances of wrongdoing to appropriate parties *within* the organization.

Organizational ethics recognizes that fidelity to law is essential to a healthy moral climate. At the same time, it stresses that the organization's moral life begins but does not end with obeying the law. Organizational ethics challenges organizations and associates to recognize ethical needs and opportunities that may have been overlooked in the past—to expand their moral vision and imagina-

tion. It identifies moral concerns that lie beyond the scope of regulations, and it offers ethical analysis in areas where the moral map is still being drawn. Within Advocate, the fact that Business Conduct seeks to blend corporate compliance with an emphasis on Advocate's MVP suggests that there can be significant synergies between Business Conduct, MVP implementation, and organizational ethics.

It is possible to recast the earlier description of organizational ethics in Advocate-specific terms. Organizational ethics can be defined as *the effort to identify, promote, and attain moral excellence in all aspects of Advocate's life and activities*. By this reckoning, the scope of organizational ethics is broad, its aim ambitious. Yet a faith-based organization with Advocate's Mission, Values and Philosophy can hardly aspire to less.

1. Van Rensselaer Potter, "Individuals Bear Responsibility," *Bioethics Forum* 12, no. 2 (1996): 27-28.

2. Philip J. Boyle, Edwin R. DuBose, Stephen J. Ellingson, David E. Guinn, and David B. McCurdy, *Organizational Ethics in Health Care: Principles, Cases, and Practical Solutions* (San Francisco: Jossey-Bass and AHA Press, 2001), 16.

3. Ed Giganti et al., "A New Social Contract," *Health Progress*, September-October 1995, special section.

4. See Standard RI.4.4, *Comprehensive Accreditation Manual for Hospitals* (Oak Brook Terrace: Joint Commission on Accreditation of Healthcare Organizations, 2003). The standards can be accessed electronically through the "Bookshelf" in Advocate Online. Go to the "Joint Commission Manual" link, and click on the "Patient Rights and Organization Ethics" section.

5. Boyle et al., 76.

6. Ann E. Mills and Edward M. Spencer, "Organizational Ethics or Compliance: Which Will Articulate Values for the United States' Healthcare System?" *HEC Forum* 13, no. 4 (2001): 331.

e-Ethics provides discussion of important ethical issues in clinical care and organizational life. In specific cases, fuller ethical analysis may be required. The discussions in *e-Ethics* should not be construed as legal advice and do not necessarily represent official positions of Advocate Health Care.

For information about *e-Ethics* or the Park Ridge Center, contact David McCurdy at (847) 384-3526 or David.McCurdy@advocatehealth.com.

