Avoiding Blinded Healthcare Leadership

Leaders must ensure organizational practices are in line with values.

William A. Nelson, PhD, HFACHE

In the book *Managerial Ethics in Healthcare* (Health Administration Press, 2014), the authors drive home the point that “the single most important responsibility of a healthcare administrator is to ensure the moral core of his healthcare organization remains intact as the organization faces increasing challenges to its operations and even its viability.” Addressing such challenges requires leaders to first be aware of the ethical challenges or concerns that arise in the healthcare delivery of their organizations.

In 2009, Atul Gawande, MD, authored an article in *The New Yorker* titled “The Cost Conundrum,” which speaks directly about healthcare spending but also healthcare leadership. The article is often referenced and used as an assigned reading in healthcare management courses. It explores healthcare spending in two cities about 800 miles apart. The two communities are described as being similar demographically (population, public health statistics, number of immigrants, unemployment, etc.). Yet, Gawande notes, that using the best approximation of overall healthcare spending—Medicare expenditures—spending in one city is twice what it is in the other city.

As Gawande explored the reasons for such diverse spending patterns he met with a group of physicians from the higher-spending city. After telling the physicians healthcare spending in their city was among the highest in the United States, they offered several responses. The physicians were initially dubious about the data, but then they began offering justifications for the spending differences, including better service and malpractice costs. Following some discussion regarding those possibilities a surgeon finally got to the heart of the matter and said, “Come on … there is overutilization here,” suggesting racking up charges with extra tests, services and procedures as the culprit.

Later, Gawande met with healthcare executives to explore the spending differences between the two cities. When he shared the same spending information he had shared with the physicians, one healthcare executive’s response was surprise that spending was so high but that, while it was interesting, she could not explain the reasoning behind the high costs. The executive offered some potential explanations, but then continued to be puzzled. Another executive, when informed of the extent of spending, offered what Gawande described as reflective explanations for utilization patterns. It is clear, however, the executives were unaware of what the Medicare data was indicating regarding the big picture of healthcare spending.

Such a realization suggests an important problem in the science of healthcare delivery: Do healthcare executives have a clear and accurate picture of what is going on in their own organizations? Or are they blind to what is really occurring within the organization related to unrecognized ethical concerns?

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What Is a Blinded Leader?
The authors of *Managerial Ethics in Healthcare* define a blinded leader as one who “does not recognize or understand the moral complexities or consequences before her.” Consequently, a blinded leader is incapable of fulfilling his or her ethical responsibility to maintain the organization’s moral foundation. Due to a lack of understanding of what is actually occurring, healthcare executives can miss the obvious—that the organization’s practices and culture are out of line with the organization’s stated values.

There appears to be two fundamental forms of leadership blindness. The first is the situation in which the executive has either flawed or incomplete information. Thus, the lack of adequate
information can create blind spots in recognizing the presence of ethical challenges within one’s organization. The result of such blindness can affect decision making or, in some situations, result in lack of needed action.

The second form of blindness is based on what cognitive scientists describe as mental images that actually can be misperceptions. Healthcare professionals possess deeply held assumptions or beliefs that can frame how they understand or perceive their organizations. Those sets of generalizations can significantly influence not only how the leader views the organization but can also influence the leader’s behaviors and decisions, including one’s moral actions. These ingrained mental perceptions become the lenses through which an individual views the organization.

Such mental images can be a powerful force that shapes how the organization is experienced. Deeply held assumptions can influence a leader’s perception or viewpoint about the need for organizational change. For example, the hospital administrator may believe the organization is living its value statement in both clinical and administrative practices or is serving the healthcare needs of the community even though an objective, accurate read of the environment would show otherwise.

Maybe that is why the administrators in the Gawande article repeatedly stated, “That’s interesting,” when hearing about the spending pattern. Performing unnecessary tests and procedures that provide no benefit implies staff members are neither acting in the best interest of patients nor providing full disclosure of the interventions in a shared decision-making process. The healthcare leader may inadvertently be blinded because his or her mental image is, “Of course we only act in the patient’s best interest.”

Removing blinders requires healthcare leaders to recognize that all executives possess a certain level of cognitive images of themselves and the organization around them. And those images, similar to incomplete data, may be false or at least not fully accurate in capturing the reality of the organization. As Paul Batalden, MD, Dartmouth professor and founding chair of the Institute for Healthcare Improvement, has stated, unfortunately some professionals have a well-developed capacity to rationalize away the newsworthiness of potentially disconfirming data and assessments that clearly point to the need to improve quality, value and the ethical integrity of the organization.

For the executives in the Gawande article, having accurate information could break down limited insight and lead to change that reflects the organization’s values. Therefore, healthcare leaders need accurate lenses through which to understand the organization’s actual practices. To foster greater clarity in understanding what is occurring within the organization that may need to change, executives may consider the following approaches as well as others developed at their organization.
Collecting Relevant Data
Healthcare executives should review locally developed data focusing on primary clinical indicators of quality and be aware of data that compares their facility to other healthcare organizations and national standards. For example, the Dartmouth Atlas (www.dartmouthatlas.org) has documented glaring variations in how medical resources are used in the United States. The project uses Medicare data to provide comprehensive information and analysis about national, regional and local markets, as well as individual hospitals and their affiliated physicians.

Leadership Engagement
Another approach to improved organizational clarity is getting out of the administrative offices and meeting rooms to visit staff and patients in all areas of the facility. Yes, that may be logistically challenging, so various members of the executive team may have to visit different areas of the facility. The point is to foster engagement, interaction and two-way communication with front-line staff.

The challenging demands on healthcare executives require having accurate information and insight. Lack of clear, accurate information can create a false understanding that all is fine. Additionally, leaders’ mental images of their organizations can be far from reality—the mental lenses through which a professional understands the organization’s present practices may be less than accurate. If executives cannot step out of their mental image they will be unable to recognize where actual behaviors diverge from stated values. Healthcare leaders need to develop approaches to ensure the accuracy of their images so that daily clinical and administrative practices are clearly aligned with the organization’s values.

Truthful Feedback
Healthcare executives need to have an accurate picture of their organization’s patient care delivery practices. In addition to data, a great source of insight is an organization’s staff members. They must be able to openly express issues or concerns when they perceive the organization’s values as not synergistic with actual practices. Such expressions should be encouraged rather than discouraged or written off as merely complaints of a disgruntled employee.

Expressions of concerns or problems should be encouraged in an environment free from retribution. Such an expectation needs to be the normative management practice. As professionals, we do not always like to hear about concerns or problems, but listening to them can lead to an enhanced understanding of organizational practices, including those suggesting a need for change. Promoting straight talk from staff can lead to a better culture and an organization linked to its values.

William A. Nelson, PhD, HFACHE, is an associate professor at The Dartmouth Institute for Health Policy & Clinical Practice, Geisel School of Medicine at Dartmouth College, Hanover, N.H. He also serves as adviser to the ACHE Ethics Committee. Nelson can be reached at william.a.nelson@dartmouth.edu.