Organizational culture is the essential element in meeting health care goals, according to Stephen Swensen, MD, Professor Emeritus at the Mayo Clinic College of Medicine and Senior Fellow at the Institute for Healthcare Improvement. “Culture, more than anything else, drives performance,” he says.

In that context, it is notable that culture at many health care organizations is changing – and in the right direction, say nearly 60% of respondents to our latest NEJM Catalyst Insights Council survey. Three-quarters of respondents – who are clinical leaders, clinicians, and executives from organizations directly involved in health care delivery – label culture change a high or moderate priority in their organization.

“Culture is the way in which organizations make decisions about what they are and aren’t going to do, and the cumulative way in which employees experience their jobs and lives at the organization. Both of these directly influence the types of care that patients experience. Simply put: Change your organizational culture and you change the patient experience,” says Namita Seth Mohta, MD, Clinical Editor at NEJM Catalyst.

The survey results show that a lot of work on organizational culture remains to be done, says Swensen, who heads NEJM Catalyst’s Leadership Theme. He points to how respondents roughly balance the importance of the bottom line and patient care, with a score of 45% and 55%, respectively. The ideal culture, he says, would tip the scales heavily toward patient-centered care.
(keeping in mind the fiscal responsibility to keep the doors open).

In written responses, Council members comment that a commitment to quality, an emphasis on patient care, and a focus on each individual’s impact have resulted in positive culture change at their organizations, whereas concentrating too heavily on the bottom line and productivity has had negative repercussions.

A physician from a health system in New England says, “A strong group of mid-level administrators who are regional medical directors gives the organization a semblance of structure and culture that is physician-driven. But that group is not adequately resourced or powered to really drive change. Administrative leadership tied to finance and payer contracts drives too much.”

Survey respondents say the CEO is most accountable for culture change (chosen by 33%). While Mohta agrees, she stresses that responsibility lies with everyone. A productive and impactful culture is embedded in the ethos of the organization. “There shouldn’t be a case where the CEO leaves and ‘takes the culture’ with him or her.”

Senior leadership should assist the CEO in fostering culture change by co-creating the vision and strategy for change, Swensen says. Methods by which clinical leaders can have a hand in changing culture include instituting daily huddles that allow everyone on a care team to voice their opinion, enforcing a mission of patient-centered care, and emphasizing the well-being of physicians.

Although a practicing physician herself, Mohta is an outlier on the question of whether culture change must be led by a physician. While two-thirds of Council members indicate it is extremely or very important that culture change be led by a physician, as does Swensen, Mohta disagrees. “The skills necessary to establish, lead, and scale culture change can effectively be possessed by a non-physician,” she says. “Physician champions, however, are a requirement.” While 36% of clinicians responding to the survey say culture change should be led by a physician, 44% of clinical leaders agree, compared to 30% of executives.

With over half of respondents (55%) reporting that their organization relies on top-down command-and-control strategy to bring about culture change, Swensen says this is a sign that “they are doing culture change poorly.” Organizations should be hiring people who support cultural objectives (selected by 33% of respondents) and firing people who clash with the culture (20%), he says. They also should invest in training new and current employees (50%) and be open to bottom-up decision making (20%).

A higher incidence of clinicians (61%) than executives (47%) list top-down command-and-control as one of the top strategies used for changing their organization’s culture. One clinician respondent says a negative aspect of the top-down atmosphere is “rules dictated/enforced by corporate offices out of state.” Another clinician respondent says, “Decisions are handed
down after they have been made with little input from staff before the announcement.”

Swensen’s view is that “All discussions need to be done with the people doing the real work. If culture change is done properly, physicians and nurses shouldn’t feel that decisions are being made from the top.” He encourages organizations to keep their stated goals simple when defining culture change, pointing to the Mayo Clinic’s primary value statement, “the needs of the patient come first.”

That declaration “is simple, elegant, and gets to the core,” Swensen says, adding that such simplicity makes it easy to keep everyone aligned and to understand the value in such a culture.

Health care organizations will know their ongoing culture change efforts are successful, Mohta says, when there is an environment in which employees are empowered to ask new and different questions and to answer old questions differently in the service of continuously improving patient care.
While a majority of Council members indicate their organizational culture is changing and headed in the right direction, it’s important to note that more than half of clinicians indicate their organizational culture is changing in the wrong direction (23%) or maintaining the status quo (31%).

**Culture Within Health Care Organizations Is Changing for the Better**

What is the current state of culture change at your organization?

- Not changing, status quo is being maintained: 23%
- Changing, headed in the right direction: 59%
- Changing, headed in the wrong direction: 17%

Base: 710

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Nearly all respondents (94%) say culture change is a priority, but to varying degrees. Culture change is rated as a higher priority for more executives (41%) than clinicians (23%).

**Culture Change Is a Priority for Health Care Organizations**

How much of a priority is culture change at your organization?

- High priority: 33%
- Moderate priority: 42%
- Low priority: 19%
- Not a priority: 7%

Base: 710

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Respondents believe their organizations are most effective at improving quality and safety (81%) and least effective at lowering the cost of care (52%).

**Health Care Culture Is Most Effective at Improving Quality and Safety**

How effective has your organization been at creating and sustaining a culture of:

- Improving quality and safety
  - Extremely effective: 15%
  - Very effective: 31%
  - Effective: 35%
  - Not very effective: 17%
  - Not at all effective: 2%

**81% Net Effective**

- Improving patient engagement and experience
  - Extremely effective: 8%
  - Very effective: 21%
  - Effective: 40%
  - Not very effective: 28%
  - Not at all effective: 3%

**69% Net Effective**

- Improving staff engagement and experience
  - Extremely effective: 7%
  - Very effective: 17%
  - Effective: 29%
  - Not very effective: 34%
  - Not at all effective: 12%

**53% Net Effective**

- Lowering cost of care
  - Extremely effective: 5%
  - Very effective: 12%
  - Effective: 35%
  - Not very effective: 35%
  - Not at all effective: 8%

**52% Net Effective**

Base: 710

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Executives emphasize patient care more than clinical leaders or clinicians do (mean allocation of 59% and 53%, respectively). Perhaps unexpectedly, executives emphasize the bottom line less than clinical leaders or clinicians (41% versus 47%).

Health Care Organizational Culture Emphasizes Patient Care More Than the Bottom Line

Please allocate how much your organization’s culture emphasizes patient care versus the bottom line.

Base: 710

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All discussions need to be done with the people doing the real work. If culture change is done properly, physicians and nurses shouldn’t feel that decisions are being made from the top.
Respondents indicate that culture change is most necessary within their organization’s executive leadership and executive board. When it comes to the amount of culture change necessary for clinical leadership, a higher incidence of clinicians (47%) than clinical leaders (37%) indicate a substantial amount is needed.

**Top Leadership Needs Culture Change the Most**

How much culture change is necessary at your organization for the following groups over the next three years?

<table>
<thead>
<tr>
<th>Group</th>
<th>Substantial</th>
<th>Some</th>
<th>Little</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive leadership</td>
<td>54%</td>
<td>35%</td>
<td>9%</td>
<td>2%</td>
</tr>
<tr>
<td>Executive board</td>
<td>47%</td>
<td>38%</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td>Clinical leadership</td>
<td>44%</td>
<td>47%</td>
<td>8%</td>
<td>1%</td>
</tr>
<tr>
<td>Physicians</td>
<td>39%</td>
<td>49%</td>
<td>10%</td>
<td>2%</td>
</tr>
<tr>
<td>Nurses</td>
<td>32%</td>
<td>51%</td>
<td>14%</td>
<td>3%</td>
</tr>
<tr>
<td>Patients</td>
<td>25%</td>
<td>50%</td>
<td>17%</td>
<td>8%</td>
</tr>
<tr>
<td>Other clinicians (e.g., PAs, social workers)</td>
<td>24%</td>
<td>55%</td>
<td>18%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Base: 710

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*Methods by which clinical leaders can have a hand in changing culture include instituting daily huddles that allow everyone on a care team to voice their opinion, enforcing a mission of patient-centered care, and emphasizing the well-being of physicians.*
Clinicians (61%) outpace executives (47%) in listing top-down command-and-control as one of the top strategies used for changing organizational culture.

### Health Care Organizations Use Top-Down Authority Rather Than Consensus Decisions to Change Culture

What are the top two key strategies your organization uses for changing organizational culture?

- **Top-down command-and-control**: 55%
- **Training new and current employees**: 50%
- **Hiring people who will support cultural objectives**: 33%
- **Bottom-up consensus decision-making**: 20%
- **Firing people who clash with the culture**: 20%
- **None of the above**: 4%

Base: 710 (multiple responses)

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"Decisions are handed down after they have been made with little input from staff before the announcement."
A third of respondents say the CEO is most accountable for their organization’s culture change, yet a higher incidence of executives (20%) than clinicians (13%) indicate that everyone is accountable.

**The CEO Is Most Accountable for Organizational Culture Change**

Who is most accountable for culture change at your organization?

- **CEO**: 33%
- **Everyone**: 16%
- **Cross-organizational team**: 14%
- **Frontline clinicians**: 8%
- **Chief Medical Officer**: 7%
- **Human resources function**: 2%
- **Chief Transformation/Innovation Officer**: 1%
- **Chief Experience Officer**: 1%
- **Patients**: 0%
- **Other**: 4%
- **No one**: 10%
- **Don’t know**: 4%

Base: 710

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Approximately two-thirds of Insights Council members indicate it is extremely or very important that culture change at their organization be led by a physician. A higher incidence of clinical leaders (44%) than executives (30%) say that culture change led by a physician is extremely important.

**Culture Change Should Be Led by a Physician**

How important is it that culture change at your organization is led by a physician?

- **Extremely important**: 36%
- **Very important**: 29%
- **Moderately important**: 18%
- **Slightly important**: 7%
- **Not at all important**: 10%

Base: 710

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Verbatim Comments from Survey Respondents

**What is the single most positive aspect of your organization’s culture? What is the most negative aspect?**

“Positive: Accepts all regardless of race, sex, culture.
Negative: Hierarchy!”
— Clinician at a for-profit allied provider in the West

“Positive: Belief in developing staff.
Negative: Lack of transparency, lack of accountability.”
— Program director at a large nonprofit teaching hospital in the Northeast

“Positive: Appreciation of change and quality.
Negative: Tension between pro-change and do-we-need-to-change camps.”
— Vice President of a large nonprofit teaching hospital in the Northeast

“Positive: Committed to high quality care.
Negative: Tradition.”
— Clinician at a midsized government organization in the South

“Positive: Despite the negative aspects of our culture, the institution continues to attract and employ some exemplary clinicians, administrators, and staff.
Negative: We have a punitive culture of disrespect.”
— Chief of service department at a large nonprofit health system in the Northeast

“Positive: Everyone is aware of the myriad inefficiencies in the hospital.
Negative: Few are willing to take risks in the interest of patient safety and advocacy.”
— Clinician at a small nonprofit community hospital in the Northeast

“Positive: Commitment to mission to serve the underserved.
Negative: Lack of transparency.”
— Executive at a midsized nonprofit teaching hospital in the Midwest
“Positive: Growth of patient and family centered care as an increasingly visible enterprise-level strategy for approaching the triple aim.
Negative: Always leading with, What can we get by with? rather than, What’s possible?”

— Associate department chair at a large nonprofit allied provider in the Midwest

“Positive: Shared vision and commitment to ‘being the best at getting better’ in delivering high quality, cost effective patient centered care.
Negative: In the inevitable trade-offs between efficient and effective in change efforts, unless it is a compliance issue the decision is almost often to opt for effective, sustainable efforts – which takes more time and can be less ‘efficient.’”

— Vice President at a large for-profit health system in the West

“Positive: Nothing.
Negative: Everything.”

— Clinician at a small for-profit community hospital in the Midwest

“Positive: We are acutely aware that we are in an environment of intense change and executive leadership is aligned in understanding and meeting the challenges to succeed in our new environment.
Negative: Fear of change, specifically that it may mean job loss, among our 400 non-prescribing provider clinicians and some support staff.”

— Chief Medical Officer at a small nonprofit organization in the West

“Positive: We make changes at a glacial pace so we’re never ahead of the curve and associated with risk of being first.
Negative: We operate as if healthcare hasn’t changed in 100 years.”

— Director of a large nonprofit health system in the Midwest
Methodology

• The Leadership: Organizational Culture survey was conducted by NEJM Catalyst, powered by the NEJM Catalyst Insights Council.

• The NEJM Catalyst Insights Council is a qualified group of U.S. executives, clinical leaders, and clinicians at organizations directly involved in health care delivery, who bring an expert perspective and set of experiences to the conversation about health care transformation. They are change agents who are both influential and knowledgeable.

• In December 2018, an online survey was sent to the NEJM Catalyst Insights Council.

• A total of 710 completed surveys are included in the analysis. The margin of error for a base of 710 is +/- 3.7% at the 95% confidence interval.

NEJM Catalyst Insights Council

We’d like to acknowledge the NEJM Catalyst Insights Council. Insights Council members participate in monthly surveys with specific topics on health care delivery. These results are published as NEJM Catalyst Insights Reports, such as this one, including summary findings, key takeaways from NEJM Catalyst leaders, expert analysis, and commentary.

It is through the Insights Council’s participation and commitment to the transformation of health care delivery that we are able to provide actionable data that can help move the industry forward. To join your peers in the conversation, visit join.catalyst.nejm.org/insights-council.
Respondent Profile

**Methodology**

**Respondent Profile**

**Audience Segment**
- Executive: 29%
- Clinician: 44%
- Physician organization: 27%

**Organization Setting**
- Other: 31%
- Hospital: 43%
- Health system: 8%

**Type of Organization**
- For profit: 22%
- Nonprofit: 78%

**Number of Beds** (Among hospitals)
- 1 - 50: 6%
- 51 - 199: 13%
- 200 - 499: 32%
- 500 - 999: 29%
- 1000+: 20%

**Number of Sites** (Among health systems)
- 1 - 5: 14%
- 6 - 20: 25%
- 21 - 49: 16%
- 50+: 45%

**Number of Physicians** (Among physician organizations)
- 1 - 9: 15%
- 10 - 49: 13%
- 50 - 99: 7%
- 100+: 65%

**Net Patient Revenue**
- > $5 billion: 12%
- $1 - $4.9 billion: 28%
- $500 - $999.9 million: 11%
- $100 - $499.9 million: 17%
- $10 - $99.9 million: 18%
- < $9.9 million: 14%

**Region**
- 19%
- 27%
- 26%
- 28%

*Base = 710*

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About Us

NEJM Catalyst brings health care executives, clinical leaders, and clinicians together to share innovative ideas and practical applications for enhancing the value of health care delivery. From a network of top thought leaders, experts, and advisors, our digital publication, quarterly events, and qualified Insights Council provide real-life examples and actionable solutions to help organizations address urgent challenges affecting health care.