

Fostering Middle-Level Thinking in Catholic Healthcare: An Evaluation of One Health System's Leadership Development and Formation Efforts

Cindy Heine
FMOL Health System
Cheine@fmolhs.org

Abstract

Today, Catholic healthcare in the United States is a major provider and employer within the US healthcare delivery system. One of the most critical issues facing Catholic healthcare in the United States today is the formation of lay leaders. It is the development and formation efforts of the Louisiana-based Franciscan Missionaries of Our Lady Health System that will be the focus of this case study. The operating thesis is that the organization's efforts related to *My Pathway to Franciscan Excellence (MPFE)*, the branding that has been utilized for the efforts related to development and formation, has had a positive impact on making FMOLHS a good company. This thesis is explored through three questions: 1) Does *MPFE* promote the principles of the Catholic social tradition and corporate social responsibility? 2) Is *MPFE* a sound example of middle level thinking? 3) Will the efforts related to *MPFE* make us a better, more socially responsible, organization? In depth analysis of the systems and processes associated with *MPFE* indicate that these efforts do make the Franciscan Missionaries of Our Lady a better company because of its ability to clearly define the expectations that assist the organization in its critical reflection, or middle level thinking. Evidence also suggests that with further integration of these efforts into the human resource function, it has the potential to do even more.

Introduction

Catholic healthcare exists to extend the healing ministry of Jesus Christ. Catholic healthcare within the United States was initiated, grown and sustained by religious orders of women and to a lesser extent religious orders of men. Today, Catholic healthcare in the United States, from its humble beginnings, is now a major provider and employer within the US healthcare delivery system. Catholic healthcare represents 14.9% of all hospital beds, 15.5% of all admissions and 14.4% of full time equivalent staff of all community hospitals.¹ As Pope John Paul II in his encyclical *Evangelium Vitae* said, "A unique responsibility belongs to health-care personnel: doctors, pharmacists, nurses, chaplains, men and women religious, administrators and volunteers... Their profession calls for them to be guardians and servants of human life."²

This ministry of the church increasingly finds itself serving in a very commercial, highly regulated environment making the perpetuation of ministry values a challenge. Adding to the complexity is the declining number of women religious within the sponsoring congregations. One of the most critical issues facing Catholic healthcare in the United States today is the formation of lay leaders. This issue is due to the number of religious declining and the increasing complexity of the healthcare industry. These trends have resulted in a number of employees being hired for technical skill many of whom do not understand the ministerial underpinnings of the work. The history of the Franciscan Missionaries of Our Lady Health System (FMOLHS) parallels that of the larger ministry.

The Aquinas Institute in St. Louis, Missouri now offers an advance degree in Healthcare Mission. The program introduction succinctly summarizes the issue that is faced by the Franciscan Missionaries of Our Lady Health System as well as the entire Catholic healthcare ministry in the United States.

Catholic health care in the 21st century faces a myriad of challenges. Among the most significant is the need for leaders who understand what it means to be part of the healing ministry of the Church - leaders who can work to ensure the vitality and integrity of the ministry into the future. Meeting this challenge requires Catholic health care leaders who not only grasp the complexities of health care but also have a sound knowledge of the Church's theological tradition. They must be able to communicate that tradition and influence the future of faith-based health care.³

It is the development and formation efforts of the FMOLHS that will be the focus of this case study. The operating thesis is that the organization's efforts related to *My Pathway to Franciscan Excellence*, the branding that has been utilized for the efforts related to development and formation, have a positive impact on making FMOLHS a good company.

The History of the FMOLHS' Efforts Related to Development and Formation

FMOLHS was formed in 1984 by the Franciscan Missionaries of Our Lady, North American Province, to ensure the perpetuation of its mission through its sponsored organizations. A ministry that began in Louisiana over 95 years ago with six sisters has grown into a significant organization serving over 40 percent of the population of the state of Louisiana. Today FMOLHS remains a single-sponsored health system, with assets over \$1 billion and annual revenues of close to \$1 billion dollars. While FMOLHS finished the fiscal year 2006 with an operating margin of 2%, it enjoys a very strong balance sheet. FMOLHS also has a very long history in each of its markets of caring for those most in need. Over 7 % of net patient revenues are given to the community in free care and outreach services. Today FMOLHS remains a single sponsored health system. In all of the four major markets, the sponsored organizations are one of the largest employers, if not the largest.⁴

The more than 7,000 employees of the Health System and its sponsored organizations share a common mission. They are directed daily in their endeavors by its five core values: service, reverence and love for all of life, joyfulness of spirit, humility and justice. FMOLHS does not limit this effort to the care of patients and their families, but attempts to bring this inspiration and these beliefs to life in all aspects of the organization. In short, it strives to be a good company to patients, physicians, employees and the communities it serves.

Leadership development and formation has been a strategic focus within the organization for the last several years. Like most of the Catholic healthcare ministry, FMOLHS has seen the development and formation of the next generation of ministry leaders as an important and urgent need.

Leadership development and formation efforts are one part of a larger effort related to the identity and integration of the mission. Phase one of this effort, included a three-pronged

approach that began in 1997 to ensure a collective sense of mission throughout all FMOLHS-sponsored organizations. This three-pronged approach included the creation of a common mission statement, common core values and a common corporate logo.

Each of these corporate identity efforts were highly inclusive and participative in their crafting. The mission statement was approved in 1999, the core values were approved in 2000, and the corporate logo was approved in 2001. The approval process was only the beginning, followed by formal staff education.

The staff education included the opportunity for staff to provide input on the core values. Employees were specifically asked, “What does it look like when someone lives the core values of the organization?” Their feedback was collected and utilized in finalizing definitions and key elements for each of the five core values, and in the creation of the developmental competencies: the focus of this paper.

With a renewed sense of identity, FMOLHS and its sponsored organizations have continued in their efforts to better integrate mission into all facets of operations. These efforts have followed the same participative format as described above. This second phase included a revision of mission integration standards and the creation of developmental competencies. The mission standards and the developmental competencies, were approved in 2001, and were intentionally designed to be companion documents so that individual and organizational expectations were aligned.⁵

The Rationale for Development and Formation Efforts within the U.S. Catholic Healthcare

Catholic healthcare in the United States has seen a dramatic increase in the number of hospitals and health systems focusing on development and formation of ministry leaders. Sr. Katherine Gray in speaking about the needs of the St. Joseph Health System in Orange, California sees it as the continuation of a long legacy in the evolution of the ministry.

Since the first Sisters of St. Joseph came together in Le Puy, France, in 1650, we have been impelled by the desire to respond to the spiritual and physical needs of people. Our founder, Fr. Jean-Pierre Medaille, SJ, called us to go out into the community, divide the city, and assess and address the needs there. Some of our early sisters were lace makers. Lace has become a symbol of relationships and patterns in our congregational history. In our activities, we see two related patterns: the pattern of responding to needs and the pattern of bringing people together in ministry. We are again responding to needs as fewer sisters become available for ministry and governance roles.⁶

Like the sisters of St. Joseph, there are many lace makers within Catholic healthcare that are trying to respond to needs and bring people together in ministry. As the number of religious within the sponsoring congregation diminishes and the complexity of the healthcare industry intensifies leadership formation is a ministry imperative. Sr. Barbara Arceneaux, Provincial of the North American Province of the Franciscan Missionaries of Our Lady summarized it this way in a recent leadership meeting.

“More than 90 years ago, six Franciscan sisters set sail for America. It is important to know the story of how our ministry came into being. It is also important to continue to work and serve in such a way that there is a continuing story to tell. What I am interested in ...is the stories yet to come. I am referring to the stories that will be told about you, your leadership, your passion, your living of the mission and core values.”⁷

Longer tenured employees may have had the luxury of learning about the mission and values by working day in and day out with a sister. Today, in most Catholic healthcare ministries like FMOLHS, many of the over 7,000 employees of FMOLHS may never work directly with any sister so the need for more clarity about expectations as well as a formalized approach to development and formation is vital to the continuation of this work as a ministry. Simply put, the Catholic health care ministry in the United States needs middle level thinkers.⁸ In response to that need the Catholic Health Association of the United States articulated a definition of leadership formation.

Leadership formation is a lifelong commitment that enhances four dimensions of leadership:

- A. Personal exploration of one's own giftedness, call to service, and commitment to the mission and values of Catholic health care
- B. Creation of communities in loving service of the common good
- C. Understanding and application of the tradition and teachings of the Catholic Church with regard to health care
- D. Development and demonstration of the distinctive competencies required to successfully lead a Catholic health care organization with passion.⁹

In order for an increasingly complex healthcare “business” to remain an effort worthy of being called “ministry” leaders must be spiritually grounded and community-focused with the highest integrity. This is particularly true given the size and scope of influence of FMOLHS. Simply put the organization’s performance and behavior has a significant impact on the communities it serves.

Description of the FMOLHS Competencies and Measurement Process

My Pathway to Franciscan Excellence is the name given to the organization’s efforts related to development and formation. It is a system-wide individual development process with tools for assessment, development planning, education resource identification, and development coaching. Its purpose is the formation of individuals in Franciscan values. There are eight competencies within the FMOLHS framework designed to encapsulate the three daily tasks of every employee: 1) remember the mission, 2) be of service and 3) take care of the resources. The competencies are as follows: Relies on Spiritual Grounding, Demonstrates Integrity, Extends Hospitality, Builds Relationships, Responds to Needs, Sustains Priorities, Seeks Excellence in Performance and Achieves Measurable Results.¹⁰ (See Exhibit 1)

The Franciscan behaviors described and measured within *My Pathway to Franciscan Excellence* serve multiple purposes, such as:

- translates core values into consistent standards for individual behaviors
- clearly defines expected behaviors required by all FMOLHS leaders and staff
- fosters accountability in the healing ministry
- defines standards of behaviors consistently across the system
- creates a perpetual, formal support of the FMOLHS mission and values
- builds a foundation for the future.¹¹

Exhibit 1 FMOLHS Competencies		
Remember the Mission	Be of Service	Take Care of the Resources
Relies on Spiritual Grounding	Extends Hospitality	Sustains Priorities
Demonstrates Integrity	Builds Relationships	Seeks Excellence in Performance
	Responds to Need	Achieves Measurable Results

My Pathway to Franciscan Excellence affects several aspects of the human resource function including selection, development and formation and succession planning. Additionally, one of its purposes is to foster accountability for the healing ministry or in other words to enhance the overall organizational performance. It is the intention of FMOLHS for these competencies, a description of the optimal Franciscan employee, to become the basis on which the organization selects, develops, manages and promotes talent in order to perpetuate the mission into the future.

Leaders of others (managers and supervisors) and leaders of leaders (divisional directors, vice presidents and chief executive officers) are being assessed against these competencies in what is called a 360 degree feedback process. A 360 degree feedback instrument is designed to provide confidential input from all vantage points (360 degrees) about one's behavior. Input is gathered from each person's supervisor, peers, subordinates and others. A self-assessment is also included. This 360 degree feedback instrument is for developmental purposes. It is not designed to be punitive and it does not take the place of a performance review. The value of a 360 instrument is to provide feedback from all of the various audiences so that insight can be gained and improvement can be achieved in a focused way.¹²

The 360 degree instrument has been developed as tool to assist leaders in identifying goals in order to build on strengths, and to develop further skills and knowledge in areas of opportunity. Once the 360 degree feedback instrument is completed, the participant (the one being assessed) is given a feedback report summarizing a participant's strengths, areas of opportunity, and comparisons with others. Learning how to interpret the results in order to create an action plan, within FMOLHS this is called a *Pathway Plan*. Each individual is provided a hard copy of their results and is given one- on-one coaching on how to interrupt their results. This coaching should

result in the selection of some areas of focus for development. A draft of that plan is shared with the supervisor. The supervisor approves the *Pathway Plan* with a six-month check-in time built in to the process. The process was intentionally designed to incorporate multiple levels of learning. One set of learning comes from reading the assessment results and the deeper learning comes from the frank and honest conversation that occurs with one's supervisor as the *Pathway Plan* is finalized. FMOLHS has assessed over 350 individuals and has spent \$500,000.00 on this effort over the last five years.

Evaluation of *My Pathway to Franciscan Excellence* Various components of the *My Pathway to Franciscan Excellence* will be critiqued for their ability to assist in the development of middle level thinking as well as their congruence or non-congruence with corporate social responsibility and Catholic social teaching through three specific questions listed below.

This paper and its findings are part of a larger organizational continuous improvement effort. This paper serves as one aspect of a post-audit on *My Pathway to Franciscan Excellence*. A post-audit process has been used in many businesses to confirm the expected return on investment and to capture organizational learning in order to improve the organization. As Frank R. Gulliver suggests in his *Harvard Business Review* article, "A post-project appraisal...firsts looks at the big questions: Why was the project started in the first place? Is it producing...as the proposal predicted?Perhaps companies should have learned these lessons already...the post-project appraisal process brought them to light, formalized them, and collected them in one place."¹³

1. Does *My Pathway to Franciscan Excellence* promote the principles of the Catholic social tradition and corporate social responsibility?

The Catholic Health Association in its educational materials related to the Catholic social principles says, "Human dignity and the common good mirror the difficulties and tensions of integrating and connecting the good of the one person and the good of the many in organizational life."¹⁴ Through *My Pathway to Franciscan Excellence*, the organization is attempting to balance the needs of the individual, specifically the developmental and formational needs, and the needs of the organization. Human dignity and the common good, the master principles of the Catholic social tradition, are the underpinnings of these efforts;¹⁵ therefore, this paper will focus these two first order principles.

Pope John Paul II, through his teaching and writing, further developed the Catholic social tradition by distinguishing between the first and second order principles. The second order principles help to lend specificity to tasks that must be in place for the first order principles to be present.¹⁶ Likewise, while the focus of this paper will be the first order principles, through the description of specific processes and tasks, the secondary principles of the subjective dimension of human work, participation, subsidiary and the social nature of the organization will provide evidence of human dignity and the common good, the master or first order principles at work.

My Pathway to Franciscan Excellence was created as a ministry imperative with the understanding that as an individual improves the organization improves. This intention parallels closely the encyclical *Lumen gentium* which states, "Through the common sharing of gifts and

through the common effort to attain fullness in unity, the whole and each of the parts receive increase.”¹⁷The Mission Statement of FMOLHS directly addresses the first order principles of human dignity and the common good as it calls forth all who serve in this healing ministry to share their gifts and talents and as it claims to be a healing and spiritual presence for the communities it is privileged to serve.¹⁸

The principles of human dignity and the common good are implicit within the competencies themselves. This is manifested in the organization’s interest in the personal and professional development of the individual employee. Within the competencies themselves is the recognition of the person as spiritual being and the focus on service to others. It could be argued that the organization’s interest is self-serving; however, the overall design of the process is created to support the dignity of the person. This is evidenced in the details of the process design. Human dignity is supported in the one-on-one coaching that is provided. Human dignity is also supported:

- In the opportunity to give honest feedback to a co-worker.
- In the overall institutional policy that no employee’s pay or raise is dependent on their scores on the 360 instrument.
- In smaller, “quiet” ways such as hard copy assessments being made available to workers who do not have computer access.

In the summer of 2006, FMOLHS conducted a post-audit on the *My Pathway to Franciscan Excellence (MPFE)*. A post-audit in its broadest sense can be defined as a process to determine a return on investment. The post-audit is designed to determine if the organization was wise in their decision to move forward with this effort and if it would be prudent to continue. The post-audit focuses on the common good of the organization.

Within this post-audit process both participants (those being assessed) and responders (those doing the assessment) indicated positive attitudes about both the confidentiality of the process and the overall appropriateness of the MPFE process. These results are shown directly below.

- More than 80 percent of people from both groups felt the process was confidential.
- Over three-fourths of participants felt that the MPFE process was used strictly for employee growth and development.
- More than 80 percent felt the process was more supportive than punitive.¹⁹

It should be noted that the human dignity and the common good are both supported within the overall concept of the post-audit. Not only did FMOLHS ask a minimum of 15 people to assess each of the over 350 leaders, it has also taken the time to ask if the process is working and solicit feedback on how to improve.

Post-audit reports also indicate that the process has weaknesses in several areas; namely, in the follow-up by supervisors and in the creation and development of the *Pathway Plan*. Only 26% of participants somewhat or strongly disagreed that they had “adequate help and resources” to create their plans. This is perhaps the weakest link in the process. More than 50% of MPFE participants indicated they somewhat disagreed, strongly disagreed or did not complete a development plan when asked if they had “*at least one follow up session*” with their manager to discuss progress on their development plan. The organization is running the risk of minimizing

the value of the individual by setting an expectation and not delivering on that expectation.²⁰ This point is further illustrated by the participant comments listed in Exhibit 2.

Exhibit 2 Sampling of Quotes from 360 Feedback Participants
“Some good information was developed from the process. The information was useful in showing me what others in the organization considered my strong/weak points. The scores showed me areas to work on and some detail on which to work. It was a good exercise to make me look at myself from others’ points of view and ponder on the message.”
“It was a very good tool to use to access how my Peers as well as my Supervisors felt about areas I was strong in and areas I can improve. My only area of concern was my rating on spirituality that I felt my peers or co-workers really weren’t the best judge of this aspect of my character.”
“Increased meeting prayers. Helped me to coach staff about how business and values decisions are linked.”
“I don’t feel my supervisor believed in the process. We spoke about my Pathway briefly but never reviewed my action plans.”
“I have re-read comments several times in the past 1+ years. They help me focus.”
“I enjoyed meeting with the coach and discussing my results. The process made me realize that how I am portrayed to my coworkers and how I reflect the mission. I disliked after turning my plan in not having a meeting with my supervisor or hearing any follow-up.”

It is a very fine balance to maintain between human dignity and the common good. It has been a very delicate balance to maintain MPFE as an individual development process that has organizational implications and value. Perhaps the most difficult aspect of this comes in accountability.

Who is ultimately accountable for an employee’s development? The obvious answer is the employee and yet, the organization’s improvement depends upon the employee’s development. What role does the supervisor play in an employee’s development? What role does the organization play in an employee’s development? It would ludicrous for the organization to believe it can force an employee’s development; however, the organization does have an obligation to be clear about its expectations and to foster a work environment that engenders in its employees a desire to be better. Those in management and supervisory positions create that work environment by the decisions and actions made day in and day out.

In the case of a Catholic institution, this kind of work environment allows employees to participate as fully as possible in creation through work. The Catholic Health Association in its

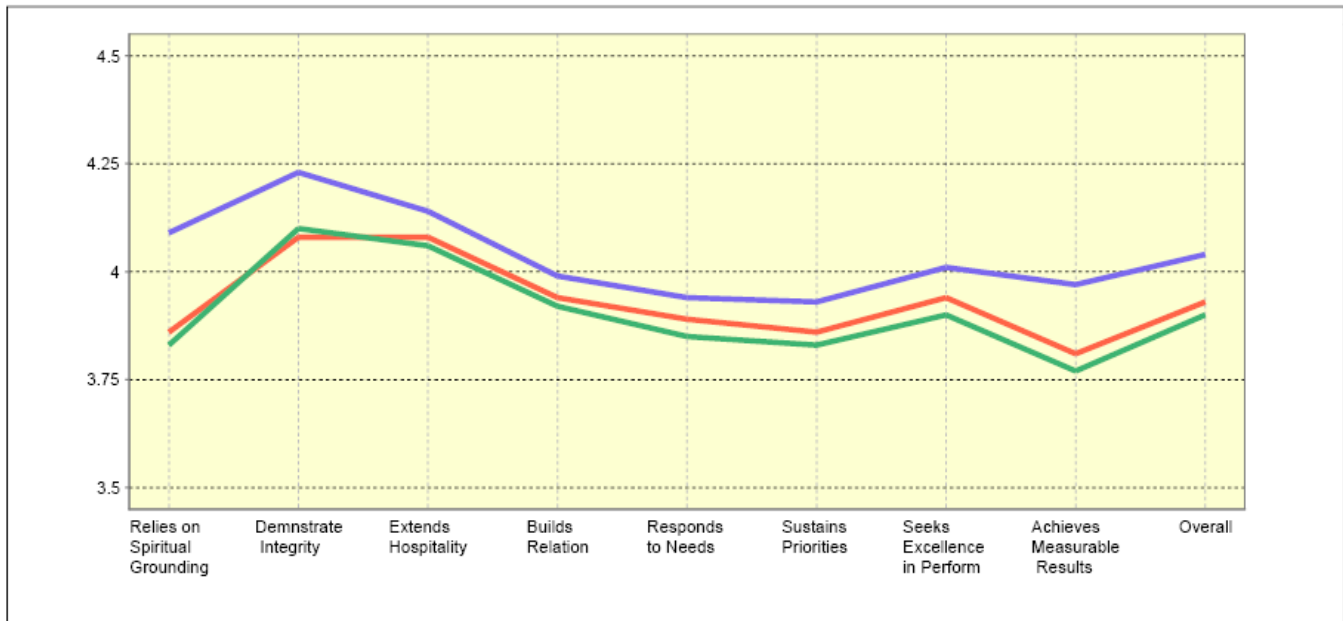
educational materials on Catholic social teaching provides a clear articulation. “It is on the basis of this understanding of the human person that people have priority over things...It is precisely because of this dignity that leaders of organizations must seek the development of people associated with the organization.”²¹

The focus of the common good manifests itself in the organization’s use of the assessment results. The organization’s use of the 360 degree feedback results is in aggregated form. (See Exhibit 3). This has allowed the organization to determine where the strengths are with a particular band of management or a particular facility. With this data, educational opportunities have been developed to specifically address areas of focus. Raising the competency of the whole helps to improve the organization as whole. Its focus is the common good.

After many discussions and consultations it was decided that this information could be used in succession planning as well. In order to maintain the delicate balance of confidentiality and still utilize the information in succession planning, individuals were listed in ranges of scores on their 360 instruments. No specific individual scores are shared. Additionally, the information from the 360 results is one of many data points utilized in the succession planning process. The post-audit results also illustrate that employees who have been promoted are also the employees with high results on the assessment instrument. This indicates that the use of the data for organizational purposes does bring value to the firm as well as to the participating individuals.

Exhibit 3

FMOLHS Competency Behavior



N = 14 FMOLHS Executive: 4.04
 N = 201 FMOLHS Manager: 3.93
 N = 87 FMOLHS Senior Admin: 3.90

Milton Friedman suggested that the social responsibility of business is to maximize profit. Alford, Sena and Shcherbinina suggest that the dominate model of business within corporate social responsibility is the concept of business as a nexus of social contracts.²² Combining the ideas of maximizing shareholder profit and social contract can help shed light on important aspects of corporate social responsibility within this paper.

The goal of any non-profit is to maximize the benefit it can bring to the community it serves; therefore, in a non-profit organization the community takes on the role of the shareholders. Catholic healthcare is a business; a nexus of contracts. Catholic healthcare has not only a contractual obligation, but as a visible, tangible sign of God's healing presence, it has a deeper obligation, a covenant. Catholic healthcare, as part of the church, continues to fulfill God's covenant to God's people to always be with them. (Genesis9: 9-17)²³ So how does a non-profit, specifically FMOLHS, go about both these secular and sacred tasks, and how does *MPFE* aid in that process?

FMOLHS is an influential organization within the state of Louisiana. It represents a significant segment of the healthcare industry of the state and as previously stated is a large employer. Even as a non-profit organization, economic analyses reveal that it has a positive economic impact in the communities it serves. The more the organization improves, the more significant this impact becomes. One such recent economic impact study in the smallest of the FMOLHS markets determined that a one-time construction project creates 82 new direct and indirect jobs.²⁴ What makes an individual development/formation process a sound community investment similar to another building?

A hypothetical example will illustrate this point. If managers can more effectively communicate expectations to their staff, in a candid and respectful manner, employees are more satisfied and fulfilled which lowers the cost of employee turnover, and saves the firm money. Patients have a better experience and become more loyal to the organization, increasing the amount of business (income) for the firm. The result is a more efficient and more profitable organization that maximizes “shareholder” value.

As similar illustration within the cardiology (heart) service line of FMOLHS further illustrates this point. In the United States, cardiology services represent a large portion of the hospitals’ business. In the largest of the FMOLHS markets a 2003 analysis determined that cardiology services represented 15% of the contribution margin for that facility that year. Yet, further study since that time demonstrates that performance in patient, employee and clinical quality measures for cardiology services-this large portion of the company’s business-remained generally flat from 2004 to 2006.²⁵ If a manager can improve his or her ability to foster a work environment that allows workers to want to do and be there best, the worker is more satisfied, and patient care and outcomes will improve as will the profitability of the firm.

2. Is My Pathway to Franciscan Excellence a sound example of middle level thinking?

In the working draft of Middle Level Thinking, Dean Maines and Micheal Naughton refer to Jonathan Boswell who coined the term middle level thinking (MLT). “MTL is about mediating connections, bridges, lines of thought, models, etc. that foster greater consistency between the deep meaning of human life and decision making in organizations. What lies on one side of middle level thinking is a vision of the human person informed by first principles, and on the other side the decisions/action to be made or done....MLT occupies the vital ground between principle and practice.”²⁶

Maines and Naughton go on to quote Andre Delbecq, “We seem to have a sense of what we yearn for but behavioral specificity is thin.”²⁷

The 360 feedback instrument takes the eight competencies, which are broad categories and develops specific behaviors and then observable measures of those behaviors. The 360 degree feedback tool attempts to bridge the gap between ideal broad categories and very specific, measurable behaviors. One example is the competency of “Extends Hospitality.” A behavior is to consistently exhibit caring and respectful behavior. Measures of consistently exhibiting caring and respectful behavior are: treats all people with dignity and respect, strives to make all feel welcomed and valued, seeks opportunities to provide comfort and help (See Exhibit 4 for additional examples).²⁸

This is an attempt by FMOLHS to move from behaviorally thin expectations to behaviors that can be seen and measured. The post-audit results show that more than 90 percent of *raters* in the MPFE process indicated increased awareness of the FMOLHS mission and core values.

EXHIBIT 4
Examples of Franciscan Competencies, Measures, and Behaviors from 360° Feedback Instrument
Relies on Spiritual Grounding +Fosters a culture of spirituality
1 Assumes that prayer/reflection is regularly incorporated in group meetings. 2 Draws on personal sense of spirituality in addressing business realities. 3 Seeks and is open to direction from spiritually grounded people.

The 360 feedback instrument utilized in *MPFE* is an example of middle level thinking because it moves from a vague set of ideals to specific behaviors and expectations. The post-audit results suggest that there are two areas where the instrument itself can be improved in order to become a better example of middle level thinking. One area is related to the competency of spiritual grounding.

Based on post-audit survey responses from 118 MPFE Participants and 319 MPFE 360° degree raters/respondents indicated that the 360° degree instrument did a good job of measuring behaviors and competencies that were consistent with FMOLHS mission and core values.²⁹

The results from the in-depth interviews revealed a number of generally positive aspects of the MPFE process. Interviewees indicated that the major way MPFE had affected the organization was an increase in awareness of FMOLHS mission and core values. Based on these findings, this instrument not only adds value to assist the participant in their own development, it also has

value as a teaching tool to both participants and respondents, providing positive organizational implications.

This competency needs further explanation of what it is, and is not measuring. Employee questionnaires suggest some have a level of discomfort in judging one's spirituality. While this is not what is being measured, people's perception is their reality; therefore, this issue needs to be addressed. Another area relates to business acumen. A few of the executives in their interviews mentioned the need for the instrument to better define business skills and behaviors. This is particularly important for succession planning purposes.³⁰(See Exhibit 5 for examples).

3. Will the efforts related to *My Pathway to Franciscan Excellence* make us a better, more socially responsible, organization?

MPFE does make the Franciscan Missionaries of Our Lady a better company. According to the post-audit results its major contributions have been to bring increased awareness about the mission and core values and to clearly articulate expectations. Positive highlights of the post-audit report are listed below.

- 76% of respondents felt that the coworker or supervisor whom they rated had shown an increased awareness of FMOLHS mission and values.
- Employees who received promotions over this time period significantly outperformed non-promoted FMOLHS staff, both overall and in each individual competency area.
- Managerial performance has steadily increased in all competency areas over time.³¹

While *MPFE* has brought benefit to the FMOLHS, it is not a perfect process. The post-audit also revealed several weaknesses that are summarized below.

- Lack of follow-through on completion of *Pathway Plans*.
- Some concern about sharing scores with supervisor.
- Amount of time necessary for the process.³²

Comments summarized from the sisters and executives are mixed but generally positive. (See Exhibit 5). The 360 degree instrument supports positive performance changes, serves to identify competency strengths and weaknesses, and reveals the contribution of Senior Administrators' high performance ratings.

Deeper analysis suggests that *MPFE* does assist FMOLHS to be a better company because of its ability to clearly define the expectations that assist the organization in its critical reflection, or middle level thinking. The documents of Vatican II encourage the church to read the signs of the times.³³ FMOLHS is striving to do just that. Two examples illustrate this point. One is the strategy to lead healthcare education and reform, which has taken on a much more significant role in a post-Hurricane Katrina environment. The second is the expansion of community outreach activities, which doubles current spending levels. *MPFE* may be responsible for this in some small way, but, *MPFE* does help provide, in a very significant way, the expectation for these kinds of responses, and it provides a language and framework through which these decisions can be discerned and communicated.

Exhibit 5 Verbatim responses for sisters of the sponsoring congregation, executives and coaches when asked if MPFE makes FMOLHS a better company.
Some think it's beneficial, some a waste of time— <i>hard to gauge</i> .
<i>Takes mission off the wall.</i> How to live out what the Sisters want. As we have less presence of Sisters it will help us to perpetuate the mission.
<i>Helps us to learn how laity takes the ball</i> —we do it through education—My Pathway—learning the history that is specific to FMOLHS and the Catholic ministry. The questions related to mission and values—Are we trustworthy? Do we take care of those most in need? That makes us who we are.
<i>MPFE is starting to make some impact</i> as we continue to focus on action plans. We need to use it deeper into organization—at manager level and charge people level.
Think it does. <i>Organization has a duty to define where behavior and performance match expectations.</i> Need a 360° or some other vehicle. We have MPFE as a vehicle. That gives us a basis—we've clearly defined those behaviors. We've created a process by which to provide feedback.
Small things are happening.
FMOLHS has done an awful lot—but what do we have in the long run? Need to make a significant impact on community we serve in catholic healthcare.
Don't think the product does, but do think <i>the effort does</i> . Raised consciousness. Set expectations. Process adds value, not necessarily the product.
Yes it <i>gives us a focus and direction</i> . Know what expectations and behaviors. Gives us bar to focus efforts on. For example: Stewardship of resources — we look at resources differently as part of the ministry — hopefully we're not as frivolous. Gives us a ministry focus instead of just a business focus.
Think that it does, but has potential to do more than it has. If tweaks happen to close the loop with <i>accountability</i> it will be more effective.

It does make for a more socially responsible company when the competencies and their associated behaviors are integrated into the daily life of the organization. To be sure some of this will come through the execution of bold strategies, but it will also come from the selection of new hires, coaching of staff, honest conversations in the boardrooms and executive tables about the budget and how much money too much, and the selection of case studies used in ethics training. This integration is the point of leverage for FMOLHS as it determines its next steps on the *Pathway to Franciscan Excellence*.

Walter H. Shorenstein, Founder of Shorenstein Properties, LLC and Joan Shorenstein Center on Press, Politics and Public Policy, and co-founder of the CSR Initiative, both of the Kennedy School, Harvard defined corporate social responsibility with three simple ideas. “The first is that people matter. Second: There is value in doing good. Third: More progress can be made through cooperation than through conflict.”³⁴ Utilizing Shorenstein’s criteria it seems that FMOLHS is well on their way.

My Pathway to Franciscan Excellence has helped make FMOLHS a better company. It has the potential to do even more.

The more important question that this case study brings forth is whether being a good company is, good enough? Why not strive to be a great company? Jim Collins in his book entitled Good to Great asked a similar question. “So, the question of why greatness?...If you’re engaged in work you love and care about, for whatever reason, then the question needs no answer. The question is not why, but *how*.”³⁵ Fr. Michael Place in his effort to articulate a theology of excellence for Catholic healthcare places the ministry’s striving for excellence in the framework of covenantal fidelity. He says, “A theology of excellence would have the coherence of a covenantal perspective and the urgency of making real the Reign of God. In the end, we would pursue quality and safety in a distinctive manner...a place ‘beyond’ the minimum expectations of justice. We would look back into the delivery of health care with an eye of the Reign of God.”³⁶

What will it take to become a great company, and *how* do this get accomplished? It’s simple - unwavering consistency by individuals and the organization as a whole in applying the Church’s teaching to every day management issues as well as larger strategic ones. It is a simple task, but not an easy one. The perpetuation of the healing ministry of Jesus Christ deserves no less effort.

End Notes

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³ Aquinas Institute of Theology, *Master of Arts in Health Care Mission*, <http://ai.edu/programs/academic/mahem/index.php> (August 1, 2006).

⁴ FMOLHS, Fourth Quarter Fiscal Year 2006 un-audited financials.

⁵ FMOLHS, internal documents and meeting minutes.

⁶ Sr. Katherine Gray, CSJ, “New Sponsorship Models Responds to Needs,” *Health Progress* 86:1, January-February, 2005, 1.

⁷ Provincial Address, FMOLHS Leadership Assembly, March 6-8, 2006.

⁸ Dean Maines and Michael Naughton, “Middle Level Thinking: The Importance of Connecting and Mediating Catholic Social Thought, Corporate Social Responsibility, and Business Practice” (Working Draft for the Good Company Conference, 2006), 5.

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- ¹⁰ FMOLHS, Educational Materials on *My Pathway to Franciscan Excellence*, 2001.
- ¹¹ FMOLHS, Educational Materials on *My Pathway to Franciscan Excellence*, 2001.
- ¹² FMOLHS, Educational Materials on *My Pathway to Franciscan Excellence*, 2001.
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- ¹⁴ Catholic Health Association, *Leadership Formation Module: Catholic Social Tradition*, 2006.
- ¹⁵ Dean Maines and Michael Naughton, 6.
- ¹⁶ Dean Maines and Michael Naughton, 2.
- ¹⁷ Pope Paul VI, *Lumen gentium, (The Dogmatic Constitution on the Church)*, Promulgated November 21, 1964, 8.
- ¹⁸ Franciscan Missionaries of Our Lady Health System Mission Statement
- ¹⁹ Devin Lemoine, “*My Pathways to Franciscan Excellence Post-Audit*”, 2006, 3.
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- ²² Helen Alford, Barbara Sena, Yuliya Schherbinina, “Philosophical Underpinnings and Basic concepts for a dialogue between CST and CSR on the “Good Company”, (Position paper for the Good Company Conference, 2006), 2.
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- ²⁴ St. Elizabeth Hospital presentation to FMOLHS Board of Directors, Sept 7, 2006.
- ²⁵ FMOLHS, *My Pathway to Franciscan Excellence* presentation to hospital CEOs, September 5, 2006.
- ²⁶ Jonathan Boswell, as quoted in Dean Maines and Michael Naughton, “Middle Level Thinking: The Importance of Connecting and Mediating Catholic Social Thought, Corporate Social Responsibility, and Business Practice” (Working Draft for the Good Company Conference, 2006), 5.
- ²⁷ Andre Delbecq, as quoted in, Dean Maines and Michael Naughton, “Middle Level Thinking: The Importance of Connecting and Mediating Catholic Social Thought, Corporate Social

Responsibility, and Business Practice” (Working Draft for the Good Company Conference, 2006), 2.

²⁸ Franciscan Missionaries of Our Lady Health System Developmental Competencies.

²⁹ Lemoine, 9.

³⁰ Lemoine, 35-36.

³¹ Lemoine, 9-25.

³² Lemoine, 9-25.

³³ Pope Paul VI, *Gaudium et spes*, (*Church in the Modern World*), Promulgated December 7, 1965, 1-44.

³⁴ Walter H. Shorenstein, “Reflections on Corporate Responsibility,” *The Public Role of Private Enterprise, Second Anniversary Review 2004-2006*, CSR Initiative, Kennedy School, Harvard, 2004, 6.

³⁵ Jim Collins, *Good to Great*, (New York: Harper Business, 2001), 209.

³⁶ Fr. Michael Place, “Quality and the ‘Efficacious Work of God,’” *Health Progress*, 85: 2, November-December, 2004, 4.