The Importance of Values in Shaping How Health Systems Governance and Management Can Support Universal Health Coverage

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A B S T R A C T

In this article, we use cultural theory to investigate the nature of health systems governance and management, showing that it may be helpful in identifying key aspects of the debate about how to promote universal health coverage. Cultural theory argues that "how" we govern and manage health services depends on what we think about the nature of government organizations and the legitimacy of their scope of action. The values that are implied by universal health coverage underlie choices about "how" health systems are governed and their organizations are managed. We draw two main conclusions. First, the translation of principles and goals into practice requires exceptional efforts to design adequate decision-making arrangements (the essence of governance) and management practices. Management and governance, or "how" policies are decided and conducted, are not secondary to the selection of the best policy solutions (the "what"). Second, governance and management solutions are not independent of the values that they are expected to serve. Instead, they should be designed to be consonant with these values. Cultural theory suggests—and experience supports—the idea that "group identity" is favorable for shaping different forms of social life and public administrations. This approach should thus be a starting point for those who strive to obtain universal health coverage.

Keywords: cultural theory, governance, management, universal health coverage, values.

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Introduction

The performance of health systems is still suboptimal in many countries with wide variations even at the same level of investment. Recent evidence regarding the consequences of poor health coverage on household economic conditions [1,2] has shown that large unexplained variations might be due to different health systems' organizational features and governance and management structures. As health systems are complex, dynamic, and adaptive systems, it has been noted that to improve their performance, all building blocks should be coherently strengthened [3,4].

In a recent article, we argued that the debate regarding universal health coverage (UHC) [1,5,6] largely focuses on health financing and efficiency issues but neglects other important aspects—in particular, health system governance and management [7]. Good health system governance and management practices are essential to actually implement effective policies to attain UHC [8].

When addressing the issue of "how" to implement policies, both "hardware"—structure, organization, technology, and physical and financial resources—and "software"—values, norms, and the relationships among the actors—of health systems are important. We believe that it is necessary to face what Frenk recently referred to as the "blackbox" misconception: "the belief that things are too complicated and we do not understand the intricate mechanisms of health systems, so we must simply get technologies and other inputs in place and then outputs will somehow walk their way" [4].

In this article, we draw from cultural theory and, in particular, from the work of Hood [9] to highlight that the governance and management of health systems are shaped by values and principles and that these are relevant to the end goals of health systems and therefore to attaining UHC. The rest of the article is structured in four sections. The next section introduces the conceptual framework from cultural theory. The following two sections explore how the framework can help to show that governance and management are not neutral toward the values and aims of health systems. The last section discusses possible implications of our analysis for the debate on UHC and draws some policy conclusions.

A Cultural Theory Framework for Categorizing Governance and Management

The boundaries between management and governance may not be immediately obvious and are, indeed, controversial. And some might argue that there is no practical reason to keep the two

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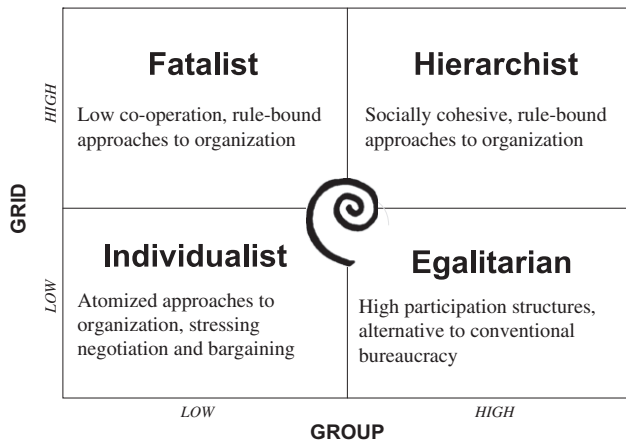
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**Fig. 1 – Four styles of public management and governance [9].
Reprinted from The Art of the State: Culture, Rhetoric, and
Public Management, Hood C, 1998, with permission from
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distinct. For the sake of clarity, however, we refer to management
as the variety of activities that are required to operate health care
organizations according to their missions and goals. In contrast,
we refer to governance as how policies are formulated, regulation
is exercised, intelligence is generated, and accountability is
upheld for all stakeholders [10–12].

Hood reframed the conceptual framework—that was origin-
ally formulated by the anthropologist Mary Douglas [13]—that the
many possible ways of managing and regulating organizations
can be defined in two basic dimensions of human organizations:
"grid" and "group" [9]. Grid concerns the extent to which people's
lives are ruled and circumscribed. High grid means that the
organizations in which individuals operate set detailed and
penetrating rules about how people should behave. In contrast,
low grid means that individuals can act freely. The other dimen-
sion is group, which denotes "the extent to which individual
choice is constrained by group choice" [9].

Following Hood, combining the grid and group dimensions
produces four potential approaches to (public) management and
governance (see Fig. 1). High group and high grid denote the
"hierarchist" style, in which individuals are constrained by
organizational roles, rules, and processes; in contrast, low group
and low grid denote the "individualist" style, in which individual
preferences and choices override rules and collective perspec-
tives. The "fatalist" perspective combines low group with high
grid, producing a style in which individuals live in atomized
societies that are constrained by routines and rules that disregard
the social dimension of human life. Finally, high group and low
grid characterizes a style of public management and governance
in which the reference to public interest is strong and is coupled
by a constant search for the empowerment and participation of
citizens. This style is called "egalitarian."

The hierarchist approach is based on the idea that there is a
shared collective interest that overrides the individual perspec-
tive. Furthermore, this approach utilizes a broad spectrum of
written and unspoken rules, procedures, and routines to coordi-
nate people's behavior. High grid calls for authority, structure,
and a well-designed division of labor, as rules and authority
structures are needed to avoid chaos and costly negotiations.
Roles and rules also serve to ensure accountability because when
things go wrong, those who do not comply with the rules can be
blamed. High group means that individuals come second to the
institutions or organizations to which they belong. Individuals
should be ready to sacrifice themselves for supreme collective

interests. These themes are the basic ingredients of an "enor-
mously successful formula for human organisations, both at the
level of whole society and of discrete institutions like churches,
armies, and state bureaucracies" [9].

The individualist approach can be observed as a reaction to
the hierarchist model of public management and governance.
Culturally, it shifts the attention to a micro-level of analysis and
contends that bureaucracies pursue the public interest (see, e.g.,
Niskanen [14]). Through different analytical lenses, a variety of
authors have theorized that governments fail because they are
captured by the private interests of the individuals who hold
public positions. In this approach, low group means that orga-
nized action is shaped by individual behavior and interests.
Normatively, the recognition of the individualistic nature of
human behavior is encouraged for designing adequate incentive
structures to govern public systems. Thus, the individualist app-
roach requires that governance arrangements and management
practices be designed to motivate individual actors to pursue
collective goals. In the individualist style of management, low
grid means that individuals must be liberated from rules, laws,
codes, and routines to act freely to pursue organizational goals.
Consequently, accountability is no longer assured by compliance
to rules and laws but is based on ex-post evaluations of results.

While the hierarchist and individualist approaches to govern-
ance and management are antithetic, as they contrast in both the
grid and group dimensions, the other two ways of practicing
management and governance are less clear-cut and more difficult
to ascertain in the real world. The egalitarian approach is
based on a strong sense of belonging to a group but a low level
of behavior regulation, and strongly contrasts with bureaucracies
and markets [15]. Citizens' accountability is not assured by
market mechanisms, which are unavoidably discriminatory, or
by politics, which has authoritarian and manipulative adminis-
trative bodies. Egalitarians believe in the virtues and functioning
of self-managed organizations in which individuals cooperate
without hierarchical structures. Typically, egalitarians also chal-
lenge professional dominance as a way to exert unjust power. In
this respect, egalitarians call for wide community participation in
the governance and even management roles of public services.
They also consider mutuality, instead of competition or hierarch-
ical control, as the desirable basis for coordination. Mutual
surveillance and veto from peers are conceived as the main
devices for respecting equality among individuals.

Egalitarianism and individualism have a low grid feature in
common. Both approaches challenge the use of rules, laws, and
regulation for public management and governance. For the indi-
vidualist, however, the aversion to rules and constraints mainly
refers to management and supports the liberation of management
practices by detailed regulations that hamper efficiency and
effectiveness. For egalitarians, the main issues are participation
and empowerment, and thus, the critique of the regulatory state
concerns the emergence of relations of dominance (political,
professional, and administrative). Participatory decision making,
voluntarism, nonhierarchical forms of organization, and group
self-management are observed as elements for building a just
distribution of power between community members.

The last approach to public management and governance,
denoted by high grid and low group, is the opposite of the com-
bination that characterizes egalitarians. Hood labeled this
approach as fatalist, while Mary Douglas originally defined it as
positional [16]. It appears rather paradoxical to imagine appro-
aches to management and governance that do not recognize a
strong communitarian perspective while featuring detailed ways
of thinking and behaving. Fatalist ideas, however, are indeed
present in various cultures and conceptions of government. The
idea that people are not in charge of their life because stronger
forces shape their destiny is widespread and often implicitly (and