

 **OUR TAKE**

for the entire health care ecosystem

Addressing Cognitive Biases in Climate Change

Mitigate the risk of biases in preparing for existential threats

Published - May 2022 • 10-min read

Climate change is already impacting the health care industry, and its effects will continue to worsen in the future. Health care directly contributes to climate change and is far behind other industries on meaningful and long-term investment into prevention strategies. As governments increasingly require organizations to report their environmental impact, it's now vital for health care leaders to address why they've failed to act.

One theory that helps explain why they've failed to act is that cognitive biases in health care leaders are preventing the large-scale behavioral changes necessary to make significant commitments to environmental sustainability. Once health care leaders move these subconscious behaviors into their consciousness, they can make changes to overcome them. This is an imperative if health care is to reduce its impact on the environment before it's too late.



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What are cognitive biases?

Subconscious errors in thinking that arise from our brain’s attempts to simplify the complex world we live in.

Everyday examples:

- Not putting money into a retirement fund when you are 30 years old even though you can afford to is an example of “present bias”—the overvaluing of the present because of short-term benefit at the expense of larger benefits in the long term. Because after all, some money now feels better than a lot of money later.
- Many social media platforms suggest content based on news or opinion pieces a person has looked at before. This can lead to “confirmation bias”—using new information to confirm opinions or beliefs.
- Sports fans or pundits often question the decisions of the losing coaches or players once they know the outcome of a game. This is an example of “hindsight bias”—the perception that past events are more predictable than they were.

The conventional wisdom

For years, environmental sustainability has been a priority for many industries. Health care lagged behind on this issue, but that's starting to change.

Health care is a mission-driven industry. We care about our communities, our reputation, and the role we play within society. We care about attracting and retaining staff and patients. And most importantly, we care about our patients' well-being.

Working toward environmental sustainability fits with health care's mission. The health care sector knows it needs to do better, but the challenge is understanding how to change. And as governmental or regulatory action is starting to require organizations to hit emissions or waste-reduction targets, leaders need to act now to avoid financial penalties.

Almost all health care leaders want to be part of the solution. However, it's difficult for leaders to link their conscious behaviors to the downstream, slow-moving, and complex effects of climate change. It's even harder to understand or acknowledge the subconscious behaviors that contribute to climate change in equal measure.

These conscious and subconscious behaviors make all the difference. Efforts to reduce climate change are regularly deprioritized in favor of other events, pressures, or priorities. We've come across many excuses for why health care hasn't done enough to tackle climate change, but three stand out:

- Climate change is too far off to worry about.
- Climate change isn't health care's problem.
- Investments in environmental sustainability may not yield any return.

What leaders need to understand is that every one of those statements is false.

Our take

The conventional wisdom detailed on the previous page accounts for much of why health care is lagging so far behind other industries when it comes to powerful messages and actions against climate change. And cognitive biases are a big part of that conventional wisdom. These biases among health care leaders are preventing the large-scale behavioral changes necessary for health care organizations to make significant commitments to and investments in environmental sustainability.

The first step to changing the status quo is moving subconscious biases into the conscious realm.

Health care leaders need to acknowledge that these subconscious biases are universal and be aware of when they affect actions. **Letting go of deeply held beliefs is critical to making progress on an issue as complex and long term as climate change.**

In his book *The Evolving Self*, Robert Kegan describes the process of bringing often unconscious beliefs into conscious awareness as flipping the “subject-object relationship.” He states that we are not conscious of our beliefs, we are subject to them. But by bringing our beliefs into conscious awareness, those beliefs become like objects which we can look at and assess for their value to what we are trying to accomplish. In doing so, we can move from unconscious reaction to conscious decision. In essence, that means changing one’s mindset surrounding these cognitive biases from “I am them” to “I have them.” And that will allow people to make decisions that can lead to better environmental sustainability.

Three key cognitive biases in climate change and how to overcome them

To mitigate the risks of human biases in preparing for or dealing with exogenous threats like climate change, we must start by looking at the main biases that stand out.

In the following pages, we examine three cognitive biases that contribute to health care's lack of action against climate change. This list is by no means exhaustive—we selected the biases we think are most powerful in preventing leaders from committing to action or investment. We've also provided diagnostic questions to help you see what this looks like in your organization and some exercises to help you get out of each way of thinking.

01 **BIAS** **Hyperbolic discounting**

02 **BIAS** **The bystander effect**

03 **BIAS** **Loss aversion**

01 Hyperbolic discounting

What this bias is

The perception that the present is more important than the future. This prevents a person from taking action to address long-term and complex challenges like climate change.

What this bias looks like outside of climate change

“Many of my physiotherapy patients continue to play high-impact sports even though I have warned them of the potential of long-term worsening of their preexisting injuries.”

What this bias looks like for climate change inaction now

Most people are more concerned with the “here and now” problems of Covid-19 and workforce shortages—even if investment into these issues yields significant short-term benefit—instead of the long-term issue of climate change. This is because the consequences of climate change feel too far off, it’s too complex a subject, and it’s slower moving than Covid-19 or workforce shortages.

If it remains unchecked, what this bias could cost your organization in the future

Over-prioritization of current events means that an organization isn’t planning for the detrimental impact climate change will have on organizational costs, patient volumes, and health outcomes. As a result, volumes and costs will be harder to predict and care quality could worsen.

1. HYPERBOLIC DISCOUNTING (CONT.)

Diagnostic questions to help acknowledge this bias in your organization

- *Which of our organizational priorities have superseded climate change and why?*
- *What sustainability tasks, projects, or targets did we put on hold during the pandemic?*
- *Have we elevated climate change into our operational planning? If not, why?*



Example exercise to help change your way of thinking

List your top strategic priorities and rank them based on which you think are most important to the long-term success of your organization. If climate change isn't on your list or if it is low priority, consider what trade-offs you could make to bring it up the list.

02 The bystander effect

What this bias is

Most people are inclined to think that someone else will deal with a crisis. This leads them to assume that other leaders, policymakers, or even other sectors, must be leading action against climate change.

What this bias looks like outside of climate change

“On my rounds, I regularly see inappropriate behavior among some staff. I don’t do anything though, assuming that their manager will discipline them.”

What this bias looks like for climate change inaction now

Many people are apathetic toward climate change action because they believe they don’t have the power or authority to make significant changes and/or they assume that policymakers, technological advances, or other actors will act against climate change on their behalf.

If it remains unchecked, what this bias could cost your organization in the future

Each leader’s hesitancy to act will be mirrored by other health care leaders, and accountability for action eventually will fall with no one. This will be visible to patients and staff, who opt for more progressive and sustainable providers and employers.

2. THE BYSTANDER EFFECT (CONT.)

Diagnostic questions to help acknowledge this bias in your organization

- *Are our emissions or sustainability targets more ambitious than those set by policymakers? If not, why?*
- *Have we invested in a staffing position that is responsible for our organization's sustainability?*
- *Do we see ourselves as a progressive organization when it comes to climate change? If not, why?*



Example exercise to help change your way of thinking

List other organizations that you think have a greater responsibility for climate change than yours. Next, try to detail what your organization's unique role is in climate change prevention relative to other organizations. What can you offer that others can't?

03 Loss aversion

What this bias is

People prioritize avoiding losses over making equivalent gains. People are less concerned about ambiguous risks that don't directly impact their life right now, such as climate change.

What this bias looks like outside of climate change

"I avoided investing in an outpatient catheterization lab due to the high cost, but now I'm worried about losing potential revenue on outpatient volumes."

What this bias looks like for climate change inaction now

People are hesitant to invest in climate change solutions due to unproven ROI. They believe significant sustainability solutions require vast investments where payback may not be seen for 5 or 10 years, if at all.

If it remains unchecked, what this bias could cost your organization in the future

An organization will fail to invest in sustainable solutions for fear of financial loss or insufficient yield, even though improved sustainability will save money in the long term. As such, it will be costlier to run the health care business.

3. LOSS AVERSION (CONT.)

Diagnostic questions to help acknowledge this bias in your organization

- *Have we avoided investing in climate change action because we are concerned that we won't see ROI?*
- *What are the reasons we have for not committing to meaningful action against climate change in the past?*
- *Are we effectively modeling potential ROI when considering an investment into sustainability?*




Example exercise to help change your way of thinking

Write down a list of potential actions your organization could make against climate change. For each one, note down why you haven't committed to it yet and what the potential benefits are to your organization, the environment, and the local community if you were to follow through with each action.

Parting thoughts

Climate change and its impacts are only going to get worse. Health care must act now if we are to mitigate the effects of climate change on our health care organizations, our patients, and to wider society. We must acknowledge why and how our current behaviors are preventing wholesale, long-term action against climate change. We can then make the necessary changes to overcome them in order to make significant progress as an industry.

The cognitive biases and exercises to overcome them we outlined are intended to help health care leaders understand and identify subconscious behaviors that are preventing the prioritization of health care's action against climate change. It is important to first use these exercises and diagnostic questions to understand when you are exhibiting these biases. Once you have accomplished this, you can make the conscious decisions that overcome them and help other health care leaders do the same.

In this document, we explored only three cognitive biases. There are a plethora of other biases that also prevent health care leaders from acting against climate change, and we encourage you to explore these and similarly alter your behaviors to overcome them. 





Not many people like to be ‘rearranged.’ Leadership therefore requires the diagnostic ability to recognize those losses and the predictable defensive patterns of response that operate at the individual and systemic level. It also requires knowing how to counteract these patterns.

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The Practice of Adaptive Leadership



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