

## Psychological Safety: Building Innovative, High Trust, Impactful Teams Poised for Scale and Success

**Psychological Safety:** A shared belief or sense, typically in a team, that it is safe to take interpersonal risks—such as expressing ideas, asking questions or voicing concerns—without fear.

Amy Edmondson codified and quantified the concept of psychological safety. It speaks to a team environment characterized by trust and mutual respect, where people feel comfortable being themselves. It is vital for effective learning, collaboration and innovation.

Most of us have experienced the profound impact of what becomes possible within a team that has high psychological safety. And, when it is absent, the contrasting detrimental impact to individual well-being and team effectiveness. Team members may avoid taking risks, or proposing new ideas; they may experience heightened stress and anxiety in an environment where they feel judged or insecure.



### Beyond a buzzword

Psychological Safety is about creating an environment where team members feel safe to voice their ideas, express concerns, and admit mistakes without fear of retribution or humiliation. To understand and implement psychological safety, consider the following:

- What does it mean to you to experience PS?
- What does it look like in practice, day to day?
- Do you feel safe to take risks, be vulnerable, be deeply honest?

**Psychological safety is a holistic experience, engaging the mind, body, emotions, and even, at times, the spirit. Success within teams extends beyond merely hitting targets and maximizing productivity; it requires cultivating an environment where psychological safety is not just a goal but a strategic imperative.**

## ROI of Psychological Safety

Trust, respect, and empathy are foundational to psychological safety. People want to feel seen, heard, and valued for who they truly are. Encouraging empathy among team members and leaders helps foster understanding and support for others' perspectives and experiences. When psychological safety is robust, it revitalizes energy, enhances bandwidth, expands capacity, and sharpens focus driving the team toward higher levels of performance and innovation.

### Teams with higher psychological safety benefit from



**Increased productivity:** Team members are able to fully engage with their work. They collaborate more effectively leading to more innovative solutions and efficient problem-solving.



**Reduced employee turnover:** Team members feel valued, respected, and secure in their roles. This leads to higher employee retention and lower expenses associated with recruiting, hiring, and training new employees.



**Improved quality of work:** Teams that are empowered to experiment and take risks consistently achieve higher-quality outcomes and generate breakthrough ideas.

### Why invest in psychological safety?



- **Cost savings** for replacing an employee can cost anywhere from **50% to 200%** of the employee's annual salary.
- Studies show **76% more engagement** is observed in teams with high psychological safety.
- Companies with higher levels of psychological safety experience up to a **22% increase in profitability**.



This is largely due to the **positive impact** on **employee engagement**, which is closely linked to **business performance**.

### Where are you and your team?



#### Is it safe to speak up?

- Do people disagree?
- Who shares bad news, and how is it received?



#### How are challenges addressed?

- Are problems solved iteratively and collaboratively (vs legislated)?



#### Do people experiment or take risks?

- When? Where? How often?



#### How do you feel when you are with your team?

- Open, even vulnerable, or closed off?

# The Impact of Psychological Safety at Work

## High Psych Safety

## Low Psych Safety

### Innovation and Risk-Taking

Creativity and risk-taking are encouraged and openly discussed.

Do what is safe, easy, and predictable. More likely to withhold ideas and opinions, limiting innovation and adaptive risk-taking.

### Communication

Team members freely share ideas. Active listening and constructive feedback flourishes.

Fear of ridicule and punishment stifle the sharing of ideas. Miscommunication leads to misunderstandings and errors.

### Liability / Risk

Team members feel safe to take risks. Mistakes are seen as learning opportunities.

Poor decision-making, and missed opportunities for innovation. People don't point out problems for fear they will "shoot the messenger."

### Interactions

Brainstorming and out-of-the-box thinking are encouraged. All viewpoints are considered.

Transactional dynamic. Employees who feel insecure or undervalued may prioritize transactions that yield immediate benefits at the cost of collaboration and trust-building. "What have you done for me?"

# The Impact of Psychological Safety at Work

<b>Employee Engagement</b>	Employees are more engaged, productive, and loyal to their organization.	Can lead to disengagement, low morale, and even burnout. Poor team performance and no organizational loyalty.
<b>Turnover</b>	Low attrition. Employees are less likely to seek out opportunities elsewhere and more likely to want to contribute to their team's long-term success.	Higher turnover. High-stress and low-trust environments often lead to higher employee turnover, which is costly for organizations in terms of both finances and human capital.
<b>Learning &amp; Growth</b>	Employees more apt to discuss mistakes and learn from them, fostering continuous improvement and development. Team members feel motivated to participate in their development and growth.	Can hinder learning and development, as team members may be less likely to admit mistakes or gaps in knowledge. Team members feel unsupported and stifled in their personal and professional development.
<b>Employee Morale</b>	The more team members feel seen, heard, and valued, the more motivated they are to work harder and longer.	Team members feel disengaged and demotivated. Team members feel checked-out. "Who I am doesn't matter."
<b>Decision Making</b>	More diverse opinions and perspectives lead to more informed and balanced decisions.	Afraid to speak up, decisions may be made without considering all viewpoints and information, leading to poorer outcomes.

## What Makes Psychological Safety Hard?



**It is an iterative interaction often characterized by mutuality, collaboration, and support.**

Reinforced by repeated collective action.



**Can take years to build and yet be lost in a moment.**

Small missteps undo years of effort.

Trust grows gradually.



**It is abstract, intuitive, learned, a felt sense.**

One that is best understood through experience (and hard to articulate).

It may be new and uncomfortable at times.



**Shifts from quantitative, concrete bottom-line metrics to abstract, people-focused, qualitative.**

Longer-term investment for more (sustainable).



**Teams flourish or fail - based on everyone.**

Success requires each individual to grow, engage, and practice EQ.

Requires everyone to “opt-in” - can’t mandate “Be safe...”



**Vulnerability amplifies PS.**

When I am open and trusting of you, it breeds openness and trust in you.



**Diversity means that different stakeholders potentially want and need different things.**

Understanding and embracing differences: in values, communication styles, developmental stages, etc.

What we value, where we are developmentally, how we engage.

Values and stages of development.

# How to Build Psychological Safety Part 1

Leaders are pivotal in shaping organizational culture and setting the tone for psychological safety. They lead through their behaviors, thereby encouraging others to do the same.



## Recognize the Value of Psychological Safety

- Be explicit: make psychological safety a team and organizational priority.
- Encourage feedback on how to implement.



## Set the Example

- Model behaviors you wish to see in others.
- Foster respectful communication, demonstrate vulnerability, and admit mistakes.
- Seek input from your team.



## Communicate Openly

- Cultivate a culture that values and promotes transparency and trust.
- Establish clear channels for feedback and encourage a high degree of empathy.
- Practice actively listening and encourage open dialogue.



## Activate Inclusion

- Create inclusivity with equal opportunities to speak and contribute.
- Encourage an inclusive, collaborative environment where team members feel comfortable sharing.
- Promote diverse opinions and approaches, welcoming and considering them throughout the process.



## Be Clear with Expectations Providing Role Clarity

- Ensure everyone understands their role, responsibilities, and expectations.
- Link individual contributions to team objectives.
- Team members feel empowered to take ownership of their roles, knowing their input is valued.

## How to Build Psychological Safety Part 2



### Promote Inclusive Decision-Making

- Inclusive decision-making processes that involve diverse perspectives enhance buy-in and make employees feel respected.
- Reinforces that every voice matters and everyone feels heard, regardless of role, background, and opinions.



### Emphasize Learning Over Blaming

- Learn from mistakes; avoid assigning blame.
- Make it safe to take risks.
- Promote a culture of continuous improvement and resilience.



### Foster Supportive Team Interactions

- Encourage team members to support each other, both in professional tasks and in their personal development.
- Encourage transparency to promote effective problem-solving and trust-building.



### Provide Constructive Feedback

- Provide concrete, timely, forward-focused feedback.
- Target growth and improvement, avoid punitive measures.



### Be Consistent

- Demonstrate values through actions.
- Solidify norm of safety (address deviant actions).

**Without psychological safety, innovation stalls, and potential is left untapped. Create high-performing teams, where trust and openness fuel sustainable success.**

## Ideas into Action



### **AWARENESS:**

- Benchmark where PS is for your team and map a plan.
- Build consistent ways to measure and re-invest in PS.
- Identify experiences of high / low PS.

### **ACTIVATION:**

- Build trust.
- Invest in relationships, communication, listening.
- Open conversations to deepen understanding of what it is, why it is important.
- Engage others to articulate what they need for greater PS.

### **AGILITY BUILDING:**

- Engage in conversations that might be hard but invaluable to building more PS.
- Invest in different ways of curating PS.
- Apply success strategies from one environment to another.

### **ACCOUNTABILITY:**

- Embed PS into workplace culture and values.
- Talk about the benefits and impacts of creating the ripple.
- Measure it regularly.
- Create regular places to have hard conversations.

### **INTEGRATE/ACCELERATE:**

- What are 3 things you could do to make your team feel more PS?
- Celebrating PS creates the opportunity to amplify and stack successes.
- Celebrate the wins with your team.

**Psych safety is vital to a thriving, innovative, and resilient work environment. It leads to improved productivity, innovation, employee engagement, and decision-making.**

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