



THE  
GAARD  
GROUP

WHITE PAPER

# The Path to Thriving Workplaces

Unlocking the Power of  
Psychological Safety



JULY 2023



**T**o stay competitive in today's rapidly evolving business landscape, leaders need engaged employees who consistently contribute to their full potential in order to meet high performance expectations. Psychological safety has emerged as a crucial component in achieving this goal.

In this GAARD white paper, we will explore the importance of Psychological Safety in the workplace, the relationship between employee well-being and performance, and strategies that companies can use to cultivate a safe environment that encourages commitment and innovation. Finally, drawing from real-world examples of companies that have implemented these strategies, this paper will demonstrate the value of psychological safety to thriving workplaces whose successes rely upon employee engagement.



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# Introduction

The modern workplace is no longer just a physical space where employees perform tasks. It has evolved into a dynamic ecosystem where individuals seek meaning, growth, and connection.

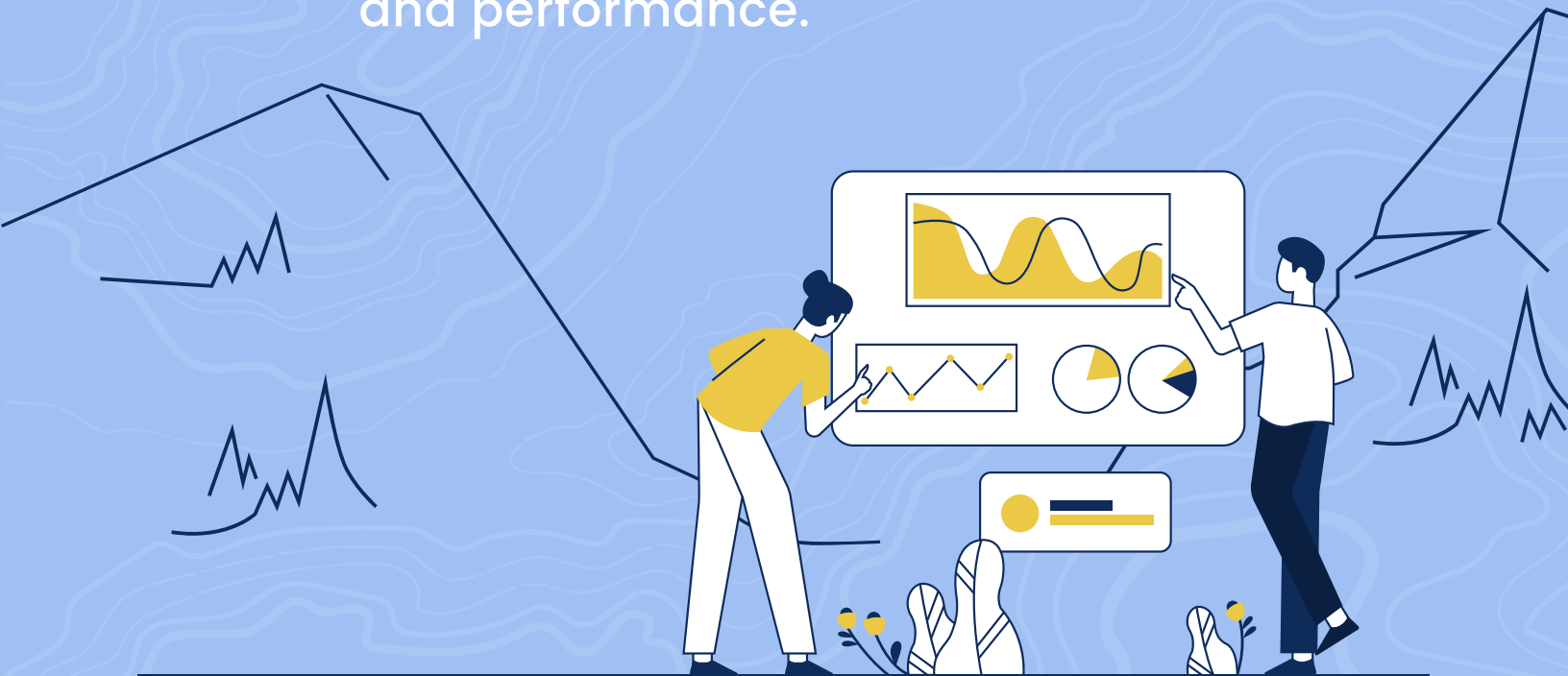
Psychological Safety has emerged as a vital mechanism for creating high-performance work environments that nurture well-being, promote contribution, and encourage employees to unleash their full potential in pursuit of organizational goals.

Psychological Safety is defined as a shared belief among team members that they can take interpersonal risks without fear of negative consequences. This succinct summary belies the breadth of critical components of a culture of trust, open communication, and mutual respect. Still, even organizations that strive toward Psychological Safety reap the benefit of employees who are free to focus their energy on work, less distracted by interpersonal and professional anxieties that otherwise waste their time and attention.

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# The Significance of Psychological Safety

Psychological Safety is more than a trendy buzzword; it is an environmental state that supports organizational success. Its significance lies in its profound impact on employee engagement and performance.





Employee safety directly affects creativity, contribution, and collaboration. Organizations that fail to create and maintain Psychological Safety struggle to develop and retain talent, adapt to changing business requirements, and develop innovations that keep their businesses ahead of their competition.

## What is Psychological Safety?

### **Employee Well-Being and Engagement**

Employees experience a sense of psychological comfort and belonging when they feel safe to express their feelings, grow within their roles, contribute their ideas, and voice their concerns without fear of negative consequences. Employees who feel safe benefit from reduced stress, better mental health, and greater overall well-being. They contribute to organizations by being more engaged, committed, and motivated in their work. As active participants in their roles, they openly share their unique talents, ideas, and efforts toward the greater success of their teams and organizations

### **Performance and Productivity**

When employees feel engaged and supported, they feel safe to invest emotionally in their work. They take ownership of their role and are likely to contribute their best work. They are more willing to take on complex problems because they feel safe taking risks. Employees who feel trusted work more autonomously. With the freedom to experiment, innovate, and challenge the status quo, employees who work in psychologically safe cultures embrace continuous improvement





and strive for high performance. Psychological Safety encourages employees to bring their whole selves to work, where they unleash their potential and drive results.

### **Innovation and Creativity**

Innovation and creativity thrive in psychologically safe environments. Employees who feel comfortable expressing unconventional ideas, questioning assumptions, and communicating collaboratively think creatively and share their creative insights. In collaborations where no answer is the wrong answer, novel solutions and innovations can break through. Organizations that welcome diverse perspectives and disruption while supporting experimentation and learning fuel innovative spirits.

**Psychological safety reduces interpersonal barriers, promotes mutual support, and builds bonds between team members, fostering a sense of camaraderie and shared success.**



### **Collaboration and Teamwork**

Psychological Safety catalyzes collaboration and teamwork. In psychologically safe environments, individuals feel empowered to propose ideas, engage in healthy debates, and extend constructive feedback. This openness and trust within teams create a foundation for better problem-solving and decision-making. Psychological Safety



reduces interpersonal barriers, promotes mutual support, and builds bonds between team members, fostering a sense of camaraderie and shared success.

## **Talent Attraction and Retention**

Psychologically safe environments are an increasingly attractive factor for high-potential employees. Today, many job seekers look for organizations that prioritize inclusivity, well-being, and personal development. Psychological Safety also plays a crucial role in talent retention. Employees who feel psychologically safe are more likely to stay with an organization as they feel valued, respected, and supported. They have an increased sense of loyalty and commitment, knowing that their well-being and development are prioritized in a place where they can grow within and beyond their roles.

## **Learning and Growth**

Psychological Safety encourages continuous learning and growth and welcomes effort even when it leads to mistakes. When individuals feel safe to try new things and know they will not be penalized for failing, they are more likely to tackle difficult and important problems. They will take on new responsibilities and learn and practice the skills necessary to tackle those challenges. They will seek feedback and adjust their tactics. Individual development contributes to organizational agility, adaptability, and success.

Psychologically safe workplaces encourage employees to reach their full potential so they and their organization flourish together and achieve remarkable and sustainable results.



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# The Building Blocks of Psychologically Safe Cultures

A culture is a collection of behaviors, beliefs, standards, values, and identities developed and shared by the members of a group within a given environment. A culture of Psychological Safety is no less multifaceted.





Building workplaces where employees take interpersonal risks without fear of negative consequences requires that the collective understand and adhere to behaviors that support the greater good of the group. Cultural practices and expectations build trust and community by encouraging constructive communication, inclusivity, and growth mindsets. The following building blocks form the foundation for creating a psychologically safe environment within the workplace:

## **Respect and Trust**

Respect and trust are the bedrock of Psychological Safety. They are nurtured through transparent and consistent communication, demonstrated integrity, and thoughtful consistency. A culture of respect values diverse perspectives, manages conflicts constructively, and recognizes the inherent worth and dignity of every individual. Employees who trust their leaders and colleagues feel safe to express





their thoughts because the character of their collective is reliable. They know that they can voice concerns without fear of judgment or reprisal. They also trust that if these norms are broken by an individual, their community and their leaders will come to their aid.

## **Open Communication and Active Listening**

Leadership sets the tone for communication. In order to create cultures where individuals feel encouraged and empowered, leaders must engage in transparent, open dialogue. They must share and seek constructive feedback about their performance, the organization, and other employees. They must create accessible and inclusive communication channels, and when their people speak, they must actively listen. Leaders must give their employees genuine attention to listen without judgment and use emotional intelligence skillfully to understand others' perspectives.

## **Diversity and Inclusion**

Truly diverse and inclusive cultures take a hard look at their behaviors and practices both present and past. They recognize that welcoming diverse perspectives, experiences, and backgrounds involves creating opportunities for underrepresented individuals to contribute. They ensure that everyone feels welcome and respected. When organizations are willing to confront their biases and validate the emotions and experiences of all their employees, they can tap into the power of diversity and enrich their decision-making processes with a wider range of worldviews.



## **Learning and Growth Mindset**

Psychologically safe organizations are built on a growth mindset. They believe that new skills and talents are developed through effort and learning. Leaders who promote continuous learning, personal growth, and professional development provide resources, training programs, and mentorship opportunities to support employees' skill enhancement and career progression. They reframe failures and setbacks as opportunities for learning and improvement rather than sources of blame or punishment. By creating a safe space for failure, organizations encourage risk-taking and foster resilience, adaptability, and innovation.

## **Failing Forward**

Leaders with a growth mindset view mistakes and failures as opportunities for growth, not personal shortcomings. Psychological Safety requires a blame-free environment where individuals feel safe to admit mistakes and seek support. Leaders must manage mistakes and failures constructively, reframe failure as a learning experience, and encourage individuals to reflect on what went wrong so they can focus on finding solutions through lessons learned.

Psychological Safety goes beyond mere policies and procedures—it requires a genuine commitment from leaders to actively create an inclusive and supportive culture that fosters trust, open communication, growth, and learning. By focusing on strengthening these building blocks, leaders can model these behaviors and lay a foundation for a psychologically safe workplace.

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# The Benefits of Psychological Safety

Psychological Safety yields countless qualitative and quantitative benefits for individuals and organizations. Employees who feel psychologically safe give more of themselves to their work.





They experience lower stress levels, less burnout, and take fewer sick days. They learn new skills more readily and apply them to solving emerging problems. They are more adaptive. They have higher innovation and productivity levels because they are more engaged, more likely to collaborate effectively, and are motivated to tackle complex problems. They drive better business results. They also stay, and the longer they do, the more they help sustain the culture that encourages their high personal investment.

When recruiting, organizations that maintain supportive environments and encourage personal and professional success stand out in today's increasingly competitive job market. Psychologically safe workplaces attract top talent – ambitious, eager, growth-minded candidates – who share these values of improvement and community. These types of candidates have a huge impact on bottom lines, drive innovation, and thrive where they feel valued.

When Psychological Safety becomes the norm, the long-term benefits of people feeling safe enough to care deeply about their work are immeasurable.

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# **Actively reward and celebrate setbacks or abandoned ideas.**

In building a failure-friendly culture, remember that culture comes from the top down. It's important for executives to set examples wherein they don't just tolerate, but actively reward and celebrate setbacks or abandoned ideas. They must give their teams space to be creative, without fearing they will be punished if their ideas do not ultimately yield the expected results.

Wayne Cuervo  
*Director, Engineering,  
Emerging Tech & Incubation*  
Cisco

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## Case Studies: Psychological Safety in Action

Real-world case studies provide valuable insights into the practical application of Psychological Safety within organizations. These three notable examples demonstrate the transformative power of Psychological Safety.





## **Google: Project Aristotle**

Google's Project Aristotle aimed to uncover the secret to the success of the tech giant's highest-performing teams. Surprisingly, they found that individual intelligence, team composition, and even team cohesion were not primary determinants of team effectiveness. Instead, across the 180 teams they reviewed, Psychological Safety emerged as the number one factor in their high success rates.

Teams that exhibited high levels of Psychological Safety outperformed others in terms of innovation, problem-solving, and overall effectiveness. They felt comfortable sharing their opinions, challenging ideas, and admitting mistakes, assured that they would not be insulted, embarrassed, or punished for their efforts. This respect and affirmed permission fostered environments of trust and collaboration.

This groundbreaking study prompted Google to prioritize Psychological Safety across its whole organization. They have implemented programs emphasizing the importance of fostering an environment where individuals feel safe to take risks and express themselves openly.



## **Novartis: Amy Edmondson Study**

Amy Edmondson, Professor of Leadership at Harvard Business School and leading researcher in the field of organizational behavior, conducted a study at Novartis, a multinational pharmaceutical company.

In her time at Novartis, Edmondson observed that the biggest breakthrough discoveries came from teams willing to explore new ideas and challenge established norms. These teams exhibited greater creativity, shared information more effectively, and generated innovative solutions. Her assessment revealed that these teams also had higher levels of Psychological Safety.

Novartis, recognizing the impact of Psychological Safety on their research teams' performance, implemented initiatives to nurture and sustain this now obviously vital aspect of their organizational culture. They prioritized creating Psychological Safety through open communication, embracing diverse perspectives, and promoting a learning culture. They encourage team members to voice their opinions, share knowledge, and learn from one another.



## **Adobe Systems: Values, Programs, and Leadership**

Adobe Systems is renowned for its culture of creativity and innovation. Mala Sharma, VP & GM of Creative Cloud Product Marketing and Engagement, told *Forbes* that their cultural catalysts are Adobe's value of inclusion, individual well-being, and the programs and leadership that support those values. In other words, they prioritize Psychological Safety.

Adobe Systems encourages experimentation, embraces failure as a part of learning, and rewards risk-taking. They provide platforms for employees to share ideas and collaborate on innovative projects, allowing diverse perspectives to converge and spark new insights. Employees are encouraged to voice opinions, challenge assumptions, and take ownership of their work.

As a result, Adobe Systems has seen a surge in innovative ideas and groundbreaking products. Adobe's psychologically safe culture drives innovation and sets them head and shoulders apart from its competitors.



## **Proof in Practice**

These case studies demonstrate the tangible benefits of Psychological Safety in driving performance, innovation, collaboration, and employee engagement. They serve as compelling examples of top-tier organizations that have recognized the transformational power of Psychological Safety and worked to implement programs and strategies to build firms who know, as Mala Sharma says, “the most important assets go home every night.”

Drawing inspiration from these case studies, leaders can gain valuable insights into the transformative power of effectively cultivating Psychological Safety.

**Mala Sharma**, VP & GM of Creative Cloud Product Marketing and Engagement, stresses that Adobe is a place

**“... where the most important assets go home every night, where great ideas can come from anywhere, and where people would want to come to work and be their best selves.”**



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# Implementing Psychological Safety

Psychological safety is not a luxury or a buzzword, it is a crucial factor for creating thriving workplaces in today's business world.

Building Psychological Safety that unlocks the full potential of employees requires a strategic approach and a long-term view of success.





To begin building Psychological Safety, leadership should start by measuring safety within organizations to determine where they stand. Assessment and feedback are essential for evaluating the Psychological Safety of individuals and teams. Feedback sessions and employee engagement surveys provide valuable insights for identifying areas of improvement. With this information, leaders can tailor solutions based on needs.

Cultural shifts only happen when committed leadership is willing to challenge existing norms and establish systems that develop behaviors today they want to see become traditions of tomorrow. Organizations that embark on this journey pave the way for their company's future by developing generational leadership, resilience, and the cultural values that support the agility, growth, and innovation necessary to persevere in an ever-changing business landscape. ●

# Psychological safety is the compass that guides teams towards greatness.

It is the invisible force that fuels collaboration, nurtures trust, and unlocks untapped potential. When team members feel safe to speak up, challenge norms, and take risks, they become catalysts of innovation and change. By fostering a culture of psychological safety, you create a ripple effect that permeates every aspect of your organization, empowering individuals to become their best selves to work. Psychological safety is the cornerstone of high performing teams. Employ it and honor it in your organization and watch as your company soars to unprecedented heights.”

**Bridgitt Haarsgaard**

*Founder and Principal*  
The GAARD Group



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Turnover

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Commitment & Motivation

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Productivity

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# Schedule a meeting

to learn how The GAARD Group can help you assess and develop Psychological Safety in your organization.

[CLICK HERE](#)