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What is psychological safety?

Psychological safety is the absence of interpersonal fear. Feeling psychologically safe allows people to perform their best at home, school, and work.

When have you been your most productive, creative, or innovative? Think back to a time when you really made yourself proud, and try to remember the environment you were working in. Maybe it's your current job, if you have challenging work and supportive, engaged colleagues. Maybe it was at university, when you ate your meals in a dining hall and had an adviser to help figure out your course schedule. Or maybe it was even earlier, when your parents were paying your bills and making sure you were getting enough green vegetables.

Or maybe—if things were chaotic at home growing up or if you worked to pay your way through college or if you've experienced the isolation that can come with remote work—you've had a different relationship with productivity and creativity.

Humans need a minimum number of their needs met in order to survive, contribute to a community, and achieve self-actualization, according to Maslow's famous hierarchy. Social scientists now believe that psychological safety is one of these basic needs, a prerequisite for people to be at their best in all aspects of life, including home, school, and work.

Psychological safety means feeling safe to take interpersonal risks, to speak up, to disagree openly, to surface concerns without fear of negative repercussions or pressure to sugarcoat bad news. Psychological safety nurtures an environment where people feel encouraged to share creative ideas without fear of personal judgment or stepping on toes. In this kind of environment, it feels safe to share feedback with others, including negative upward feedback to leaders about where improvements or changes are needed. It's OK to admit mistakes, to be vulnerable, and to speak truth to power. When psychological safety is present in the workplace or at home, it creates a more innovative, stronger community.

Since the term was coined by Harvard Business School professor Amy Edmondson in 1999, the benefits of psychological safety in the workplace have been well established. According to one McKinsey survey, an overwhelming 89 percent of employee respondents said they believe that psychological safety in the workplace is essential.

Psychological safety doesn't just help people feel good at work, although it does that. It doesn't just help foster a more diverse and inclusive work environment, although it does that as well. The impact of psychological safety extends far beyond the soft stuff: it substantially contributes to team effectiveness, learning, employee retention, and—most critically—better decisions and better performance.

In extensive research ranging from medical teams in hospitals to software development teams at Big Tech firms, psychological safety is consistently one of the strongest predictors of team performance, productivity, quality, safety, creativity, and innovation. It's also predictive of better overall health outcomes, as confirmed by social psychologists and neuroscientists.

Psychological safety is not a given and it is not the norm in most teams. In fact, a McKinsey Global Survey conducted during the pandemic indicated that the behaviors that create a psychologically safe environment are few and far between in leadership teams and organizations more broadly.

Read on for a deep dive on why psychological safety is critical to adaptive, innovative performance, as well as for McKinsey's research on how organizations can foster psychological safety among teams and individuals.

What leadership skills are important for psychological safety?

Some people are born leaders. Most of us, though, benefit from leadership training—and our organizations do too. McKinsey findings show that investing in leadership development at all levels of an organization cultivates the type of leadership behaviors that enhance psychological safety. Employees who report that their organizations invest substantially in leadership development are 64 percent more likely to rate senior leaders as more inclusive.

But it's not a one-size-fits-all situation. There are a few skills in particular that leaders can develop to foster psychological safety in their teams. These include:

— *open-dialogue skills,* which allow leaders to explore disagreements and talk through tensions in a team

— *sponsorship,* or enabling others' success ahead of one's own

— *situational humility,* which teaches leaders how to develop curiosity and a personal-growth mindset

How can leadership development programs foster psychological safety?

It's clear that psychological safety sets up people—and organizations more broadly—to perform at their best. But, according to McKinsey research, it can be tricky to know where to start. Here are three ways to approach the goal:

1. *Go beyond one-off training programs and deploy a scaled system of leadership development.* Human behavior usually doesn't change as the result of a single training program. Behavior change succeeds when there's a clear goal in place and a comprehensive strategy for how to achieve it. Skill development should be centered around capabilities that not only support the larger goal but also apply to people's day-to-day work.

2. *Invest in leadership development experiences that are emotional, sensory, and create moments of realization.* Immersive, engaging leadership development experiences are much more memorable than your typical "slide deck in a conference room" training. The focus shouldn't necessarily be on the content, but rather on the experience of learning—and the vulnerability and personal introspection that goes along with it.

3. *Build mechanisms to make development a part of leaders' day-to-day work.* Trainings and skill development are the theory; incorporating those skills into day-to-day work is the practice—and that's where it really counts. Senior leaders should be the first adopters of new skills, and they should publicly model their learning processes.

How can leaders create an environment of psychological safety?

Perhaps unsurprisingly, leaders have a critical influence on a team's psychological safety. By their own actions, leaders set the tone for allowing their

team members to feel psychologically secure—or not. According to McKinsey research, three leadership styles in particular can foster a nurturing team climate.

First, *consultative leadership* has direct and indirect effects on psychological safety. Leaders who practice this leadership style consult their team members, ask for their input, and truly consider their views. *Supportive leadership* has an indirect effect on psychological safety by helping to create a positive team climate. Supportive leaders show concern and support for team members—not only as employees but also as individuals. These behaviors also encourage team members to support one another.

Once a safe and supportive team climate has been established, a *challenging leadership* style can sometimes further strengthen psychological safety. A challenging leader asks team members to reexamine assumptions about their work and how they can exceed expectations and fulfill their potential. Challenging leadership styles have been linked with increased employee creativity and desire to improve.

How can leaders support mental health in their employees?

Behavioral-health concerns are potentially devastating for people. During the COVID-19 pandemic, nine out of ten employers surveyed cited stress related to the pandemic as affecting their workforce's behavioral health and productivity. Here are six potential actions employers may consider for addressing behavioral-health challenges in the workforce:

1. *Reduce stigma.* Seventy-five percent of employers acknowledged in a recent survey the presence of stigma in their workplaces. Mental-health literacy training can help dispel stigma. This can include modules on nonstigmatizing language and expansion of diversity, equity, and inclusion programs to include neurodiversity.

2. *Implement—and actively support—workplace programs to promote mental health.* Typically, employee assistance programs have a utilization rate of only about 5 percent. If an organization is serious about improving its employees' mental health, leaders should actively promote programs to encourage employees to get involved.

3. *Ensure behavioral- and physical-health services are equally accessible.* One 2019 study found that individuals are between five and six times more likely to use out-of-network providers for their behavioral healthcare needs than for physical healthcare, which could lead to out-of-pocket costs.

4. *Enable digital points of access.* Most employer-sponsored behavioral-health solutions are now offered digitally or virtually, via smartphones, fitness trackers, and tablets. Digital and virtual mental-health solutions allow employees to decide how they want to engage with behavioral healthcare.

5. *Integrate healthcare delivery.* Employers can integrate physical and mental healthcare by offering telehealth, expanded referrals to community-based or peer-supported crisis services, and better access to evidence-based treatments including cognitive behavioral therapy.

6. *Use analytics and employee feedback to identify behavioral-health needs and care*

preferences. Tailor healthcare offerings specifically to the workforce in question, rather than relying on one-size-fits-all solutions.

Learn more about McKinsey's Healthcare Practice.

What qualities do leaders need to best support their teams during challenging times at work?

Compassionate leaders foster more loyalty and engagement from their employees and, ultimately, lead better-performing teams. In challenging times, compassion becomes even more critical. Tuning into employees' personal fears and anxieties sets the stage for improved business resilience and responses, no matter what kind of crisis is at hand.

This isn't as easy as it may sound. When faced with uncertainty, it's human nature to seek to exert control and take quick action. But crises require a special kind of leadership. Deliberate calm, as described in a new book by McKinsey veterans Jacqueline Brassey, Aaron De Smet, and Michiel Kruyt, is a personal tool kit that helps leaders adapt to a changing situation when it's the hardest and most important. Cultivating deliberate calm requires leaders to build competencies around skills previously dismissed as "soft"—including self-awareness, emotional intelligence, and mindfulness.

McKinsey research has found that four qualities in particular can mitigate the natural tendency to exert control and give in to fear. These qualities can ultimately help leaders steer a ship safely through a storm.

1. *Awareness.* Leaders must acknowledge and accept the reactive tendencies that unfold within ourselves and others. Creating time and space for self-connection and self-awareness, fueled by deep breathing, is a good place to start.

2. *Vulnerability.* A compassionate leader should role model vulnerability during a crisis. By lowering their guard and confronting what is unfolding, leaders can help employees feel that they're not alone.

3. *Empathy.* Leaders should demonstrate empathy to tap into what others are feeling.

4. *Compassion.* Acting with compassion makes individuals and groups feel genuinely cared for. It's also critical for leaders to open themselves up to others' empathy and compassion. These practices allow leaders to build a support network, which helps them weather turbulent times.

How can leaders bring their communities together in a crisis?

Turning inward to cultivate the qualities of awareness, vulnerability, empathy, and compassion helps leaders improve their ability to listen, soothe, and empower forward movement. As a crisis evolves, turning outward can help leaders to bring a community together so the group can emerge from the crisis stronger. Compassionate leadership can propel a community forward in the following ways:

— *Develop perspective on the situation and derive meaning from it.* Leaders can allow healing by showing authentic vulnerability and sharing their own fears and uncertainties.

— *Foster belonging and inclusion.* Leaders play a crucial role in enabling free expression, making sure people feel heard and encouraging a unified response to crisis. They can do this by receiving individuals with unconditional positive regard, withholding judgment, and welcoming diversity of self-expression. These actions can soothe anxiety and boost worker commitment.

— *Take care of people through compassionate acts.* Leaders have a unique opportunity to role model compassion and care, which can be crucial in crisis recovery.

— *Reimagine a postcrisis future.* If people feel safe to share their grief, anxieties, and fears during moments of crisis, they may develop stronger ties to their community as a result—and their organization may come out stronger when the crisis is over.

Learn more about McKinsey's People & Organizational Performance Practice.

Why is it critical for leaders to attend to the psychological needs of lower earners?

Nearly everyone, regardless of income, wants their psychological needs at work to be satisfied. These include a sense of reward that comes from accomplishment, a sense of belonging that comes with being part of a group, and the desire for their work to be interesting and meaningful. Yet companies often do a better job of addressing the psychological needs of higher-earning employees than their lower-earning colleagues.

For employers, attending to the psychological needs of employees at all levels of the organization is not only the responsible thing to do—it's also

good for business. McKinsey research has found a link between higher employee satisfaction and better business outcomes. One experiment among frontline customer service staff showed that weekly sales for call center operators increased by 13 percent when the operators' happiness rose by one point on a scale of one to five.

Learn more about McKinsey's People & Organizational Performance Practice and the McKinsey Health Institute, and check out psychological-safety-related job opportunities if you're interested in working at McKinsey.

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