GLS20 Session 1

AMY EDMONDSON: The Fearless Organization Demands Psychological Safety

The following are notes from Amy Edmondson's talk at #GLS20. Use them to help you apply the content you learned at the Summit.

To succeed in an uncertain, fast-moving world, organizations must be fearless to be agile–which means they must build a psychologically-safe environment in which people can learn and grow. In this session, Dr. Amy Edmondson talked about why psychological safety matters more than ever and how to build it. With so much riding on innovation, creativity and engagement, it is essential to attract, cultivate and retain talented employees–but even more important to ensure they are able to speak up to fully contribute to the enterprise. In this session, Amy helped us understand why engagement and candor are required for success and high standards in today's knowledge economy—she identified the link between psychological safety and high performance, and how leaders can create psychological safety.

Psychological Safety

- Psychologists say we are endowed with a general orienting system.
- We live in a "V.U.C.A." world—an acronym coined by the U.S. Army War College.
- Volatile, Uncertain, Complex, and Ambiguous—describes the world in which we live.
- Our brains expect to see a predictable certain world and so we're in for a lot of unhappy surprises, but all is not lost.
- Leaders make a difference by helping people show up, helping people really adapt to and adjust to the V.U.C.A. world in which we live.

STORY | Columbia Shuttle Tragedy of 2003:

- This was Columbia's final mission.
- The craft re-entered the Earth's atmosphere on February 1st, 2003 and combusted, killing the entire crew.
- Engineer Rodney Rocha, watched the launch via video with concern.
- Rodney saw a small grainy spec.
- He talked to his boss and asked for support and help to look into it further.
- His boss said, "Don't be Chicken Little. It's nothing. Don't worry about it."
- Rodney pulled engineering friends, and they tried to look into it, but really, they were stymied.
- They couldn't look into it without more resources and without more permission.
- On day 8 of the 16-day mission, there was a mission management team meeting—a high level group of folks who lead the mission, and on their formal agenda there was a line item that said look into this foam strike issue.
- They spent two minutes talking about it and dismissed it as a nothing.
- Rodney remained silent.
- Fast forward, six months later, an investigation into the accident proved the cause was a foam

strike.
- Rodney was asked by the investigators, "Why didn't you say anything in that meeting?" And, he said, "I just couldn't do it."
- Why? His hands motioned, "Because she [the mission management team leader] Linda Ham, is way up here and I'm way down here."
- "I just couldn't do it" describes the reality in the workplace for far too many employees like Rodney Rocha, who in that moment, felt disabled—unable to express his voice.
- Impression management at work is almost second nature.

Why do employees feel unable to express their voice?

- Most of us would prefer to look smart, capable, helpful and positive, so we've learned how to read the tea leaves and to hold back.
- "If I don't want to look incompetent, I'm not going to admit a mistake or a weakness."
- "I don't want to look intrusive. I'm not going to offer some half-baked idea that I'm not confident about."
- This kind of thing happens every day at work.

Does It Matter?

- Not all of these moments of holding back lead to catastrophic outcomes, but they lead to small losses day in and day out.
- They lead to failures.
- They lead to a lack of innovation.
- They lead to people not feeling as good about themselves as they might otherwise feel.
- You can think of this as a state of playing not to lose, of holding back, of not putting your full self
- into the game instead of going for it and trusting that your colleagues and your leaders will be there for you—that's the kind of workplace where innovation happens, where good ideas happen, where failures are avoided, where bad failures are avoided.

CONNECTION | INSPIRATIONAL QUOTES:

- Teddy Roosevelt: "The only man who makes no mistake is the man who never does anything."
- Michael Jordan: "I've missed more than 9,000." Imagine that, 9,000 shots in my career. I've lost almost 300 games. Times I was depended on for that final shot and I missed it. I have failed over and over and over again in my life, and that is why I succeed."
- We understand these kinds of quotes, but how many of us are living them?
- How many of us are really knowing that it's okay to go for it, to play to win, to know that yep, sometimes we're going to trip and fall, but other times we're going to do something just spectacular with our colleagues?
- Caring about what people think shouldn't be in charge—the mission should be.
- Wake up in the morning hoping to contribute to your work lives

Psychological Safe Work Environments:

- A belief that the workplace is safe for interpersonal risk
- That means I can speak up with a question, with a concern. I would never hold back. I would never be in Rodney Rocha's shoes because I know that my voice is valued and welcomed, even when I'm wrong, even when my idea is crazy.
- A sense of permission for candor
- It's not saying everything you have to say will be brilliant.
- It's not about being nice, it's not soft.
- It's not touchy feely, it's not a license to whine.
- People are willing to engage in conflict, they're willing to debate, they're willing to disagreethe surface and understand how things really work.

SURVEY:

- Developed a robust survey measuring this concept of psychological safety
- Used in more than 200 studies in global organizations
- Doctoral student study with Ingrid Nembhard
- Studied 23 intensive care units in 23 North American hospitals
- All the intensive care units had active quality improvement projects underway with four or five formal teams trying to make the work a little bit better.
- Gave everyone a survey and asked about their psychological safety
- The items said things like, "If you make a mistake on this team, it's held against you, reverse scored. It's easy to ask for help when you don't know what to do, etc."
- Data was from 1,100 clinicians in different role categories.
- All did not have a hierarchy-induced psychological safety gap.
- The psychological safety levels across role groups were absolutely flat.

Does It Matter?

- Yes. Three years into this study, the pattern had an 18% improvement in morbidity and mortality, compared to those with the steep pattern.
- Everybody can see something that others miss.
- What the respiratory therapists and the nurses are seeing and wondering about really matters.
- Their quality improvement work was able to yield those performance outcomes

What Explains The Difference?

- There are things that leaders can do, that were done in these high-performing units, that you can do as well.
- Studied an executive team in a global electronics company facing an important strategic decision about whether to acquire another company.
- Someone on their team was new from another company and industry.
- He had concerns about the takeover, but he came onto the team when they were halfway
- through making the investment, so he held back.
- Six months in and it was a fiasco...a terrible failure.
- The team got together to review what contributed to this failure. He said "I let you down. I had concerns and I didn't share them."
- "I didn't want to be the skunk at the picnic."

Cognitive Frame

- Something that is wrong for the actual work they were doing
- The work of strategic decision making is not a picnic.
- When you have a dissenting view, you're potentially a lifesaver.
- Take away those orienting systems leading us to have the wrong frame for the kind of work we do.

STORY | Volkswagen + Google

Amy talks about psychological safety—an important construct to show the best ways in which leaders can cultivate their humility and their curiosity is to create their conditions in their teams and organizations for others to provide them with negative feedback.

- By 2015, Volkswagen achieved being the largest car company—the most successful profitable car company in the world.
- In 2008 won the coveted Green Car of the Year Award.
- It was based on fraud.
- The Volkswagen engineers, unable to do what senior executives wanted them to do to design a diesel engine that could not only pass emissions, but also be efficient and affordable.
- They couldn't tell their bosses that they couldn't do it.
- They developed software to cheat the regulators.

- The Senior Executive said, "there was always a distance of fear or respect. If Winterkorn [who was the CEO of Volkswagen at the time] were going to come and visit you, you would be very anxious, your pulse would go up, and if you presented bad news, God forbid, it could become very unpleasant, very demeaning."
- Ambitious goals and closed ears
- You need to have ambitious goals, open ears and open hearts because nobody ever wants to see that kind of headline.
- Four years ago, Google released a study in its attempt to find out what was the factor that helped explain why some of its teams were outperforming others.
- Nothing predicted team performance until they discovered the variable of psychological safety.
- Julia Rozovsky put psychological safety in the model, with my survey variable, that explained more variance in team performance than anything.
- People need to feel psychologically safe to do their best work..

Is There A Trade Off Between High Psychological Safety And High-Performance Standards?

- No
- As leaders, it is your job to convey high standards and to enable people to reach those high standards. It's also your job to create a safe environment for people to bring their full self to work.
- If you don't do either, well, that's the apathy zone—where people quit and stay.
- They're still coming to work, but that's all.
- Most of us want to be put to a good use—to work hard and support the mission of our organization.
- We're not seeing many places with the comfort zone anymore.
- More workplaces are categorized as the anxiety zone

How Do You Create Psychological Safety?

What does it look like?

- If you look around, are people talking and speaking up about things that go wrong or about their successes?
- Are people speaking up to disagree and especially, to disagree with the boss?
- Are they offering half an idea that someone else might build on and turn into a great idea?
- Are they speaking up when they need help, when they're in over their head?
- If those things are happening, you have psychological safety.
- If they're not, it's not the case that nothing's going wrong.
- We live in a V.U.C.A world, you are just not hearing about it.

What are You Going To Do?

- Recognizing failure is not all bad. It's how we learn. It's how we innovate. It's how we grow.
- Thomas Edison famously said, "I have not failed. I have found 10,000 ways that won't work."

Failure Comes In Three Types:

1. Preventable Failure

- Things where we have a formula, we should have done the training, we didn't do it right for some reason and we shouldn't celebrate those.
- We should learn from them to be sure. We shouldn't blame people, we shouldn't point fingers, but they're not good news.

2. Complex Failure

- A set of factors that come together in a novel way and produce an unintended consequence, despite being in a reasonably familiar setting like a hospital or a subway system.

3. Intelligent Failure

- The result of a new foray into new territory
- Nobody could have known what would happen without trying it.
- Think of these three categories as essentially mistakes, accidents and discoveries.
- Internalize the joy of discovery. In the moment, it will feel disappointing because it's in fact a failure, but it's a happy failure. It's an intelligent failure. However, there are criteria. You can't call anything that happens that's bad an intelligent failure, you got to follow the rules.

The Rules Of Intelligent Failure:

Pursuing something meaningful: The outcome of the test, of the pursuit, will be informative—you will learn from it and you've thought about the assumptions going into it, and the cost and scope of the experiment are as small as they can be and still be informative.

Promote intelligent failures: Have more of them, try to help people do more smart experiments so that you can discover more and innovate more and make a better project or product together. Something you can talk about together and start to exercise that leadership role of helping people make these important discernments in their work

What You Can Do To Create Psychological Safety:

1. Framing The Work

2. Inviting engagement

3. Responding productively

1. Framing the Work

- As leaders, help people reframe the work so it's more productive for them to do the work they need to do.
- David Kelley, who leads the world's most celebrated innovation consultancy is known for going around to his teams and saying, "Hey, fail often to succeed sooner."
- He is not saying, "Please go ahead and do lousy work".
- He's saying, "I'm sorry, but there's no way to be brilliant and successful in innovation work unless you're willing to fail along the way."
- Christa Quarles, CEO of OpenTable says, "Early off and ugly, it's okay. It doesn't have to be perfect. Don't wait until it's perfect because you know why? It'll be too late. The competitors will be there already. Just give me something good enough. Let's get it out there. And guess what? We can learn as we go from how customers interact with it."
- Julie Morath, who was Chief Operating Officer at Children's Minnesota for over a decade, says "Healthcare, by its very nature, is a complex error-prone system." She's saying, when things go wrong, and they will, speak up quickly so we can catch and correct before anyone is harmed.

Frames To Kick Out Of Your Brain:

- Employees are self-interested and not trustworthy.
- Top management are the ones who know best about everything.

Replacement Frames:

- Employees are trustworthy and well-intentioned.

2. Inviting Engagement

- Do it proactively. Don't just say, "Hey, dissent is fine." That means insisting on dissent.
- Alfred Sloan was one of the great business leaders of the 20th century, and his top team at General Motors was considering acquiring another company. He said, "Gentlemen, I take it we're in complete agreement on this decision. You can almost feel the joy in the room".
- But he said, "That's not good enough. Well, then I propose that we postpone further discussion on this matter. Why? To give ourselves time to develop disagreement."

- He is essentially saying, "If you guys were any good at your jobs, you would have brought something to the table. It is not a place to come in and agree. It's a place to come in and debate and get to the bottom of it." That's what strategic decision making is all about—insisting on dissent.
- Ed Catmull, CEO of Pixar, says, "As leaders, we have got to be willing to go first. We got to talk about our own mistakes because that's what makes it safe for others to do the same."
- The most important tool that you can have for creating psychological safety is the good question emerge stronger after this?

What's a good question?

What are you going to do to improve and increase your critical six leadership qualities?

A good question is one that helps us not miss something.

- What do others think?
- What other options could we consider?
- What are we missing?
- Who has a different perspective?
- The other kind of good question is the kind that helps us go deeper.
- What leads you to think so?
- What are the concerns you have?
- If we did that, what might happen there?
- Encourage people to do better thinking.
- The essence of a good question is that it focuses us together on something that matters so we can think aloud together, so that we aren't vulnerable to holding back or to group think.
- Good questions make silence awkward.

3. Responding Productively

- The essence of a productive response is twofold.
- One, appreciative—thank you
- Two, forward-looking—where do we go from here?
- Alan Mulally, CEO of Ford said, "Listen, everybody, I want you to color code your reports for us. Red for problems. Yellow for caution. Green for good news."
- Mulally says to the team, "Listen, everybody, we are on track to lose 17 billion, that's with a B, dollars this year. What is not going well?"
- Mark Fields, head of Americas, raised his hand and he proceeded to describe a very serious problem with a Ford model Edge launch.
- Everybody thought Mark Fields would get fired for speaking up.
- Mulally put his hands together and he started to applaud, then he said, "Mark, thank you for that clear line of sight. How can we help?"
- That is a productive response. Thank you and forward-looking.
- There will be time later, and this can be important work to look into how this happened, not now. Now is the moment to figure out how we can help.
- They had it solved within a couple of weeks.

Make honest feedback a positive experience: Leadership that builds psychological safety starts with humility

Framing the work in a V.U.C.A. world:
1. Say "We don't know all the answers, we need to hear from you."
2. Be curious when saying "Tell me, what are you thinking? What are you seeing?"
3. Be empathetic, saying "Thank you for that clear line of sight. How can we help?"

NEXT STEPS:

Make work psychologically safe for your teams so they can innovate so they can help you pursue the important missions that you're all working on today.