

# ***The Culture Factor:***

***How Psychological Safety Supports Continuous Improvement***

Slides & More: [MarkGraban.com/MGMC2022](https://MarkGraban.com/MGMC2022)

**Mark Graban**

**mark@markgraban.com**

# Physical Safety Briefing

- Where are the exits from room and building?
- Where to gather outside in event of emergency?
- What do we do if there's a fire?
- Who in the room is CPR / First Aid qualified?
- Where is an AED located?

# Psychological Safety Briefing



**Why are we here?**

# Who's Hungry?

- “Some say ‘culture eats strategy for lunch.’
- I don’t believe that.
- **Culture is strategy.”**

**Lou Shapiro, FACHE**  
CEO, Hospital for Special Surgery





**"It's our ambition to be the best in the world at everything that we do."**

**Paul O'Neill (1935 – 2020)**

- CEO of Alcoa
- Pittsburgh Regional Health Initiative
- U.S. Treasury Secretary
- Value Capture

# Habitual Excellence



“An organization has the potential for greatness when everyone can answer 'yes' to three questions without reservation...”





1. Am I treated with dignity and **respect** by everyone I encounter?
2. Am I given the **resources** I need to make a contribution to the organization that adds meaning to my life?
3. Is my work **recognized** by someone whose opinion matters to me?

How might we  
measure respect?

# What's the Staff Safety Gap?

---

2.2 DART Rate in Hospitals  
*(Days Away Restricted or Transferred)*



**GAP**

---

1.5 DART Rate for "All Private Industry"

# What's the Gap?

# Why the Gap?

2.2 Dart Rate in Hospitals  
*(Days Away Restricted or Transferred)*

Not doing  
the things?

GAP

Zero Employee Harm



# “By what method??”

- Lean, Six Sigma, TQM
- Continuous Improvement
- High-Reliability Organizations
- TeamSTEPPs
- Hourly Rounding
- ????



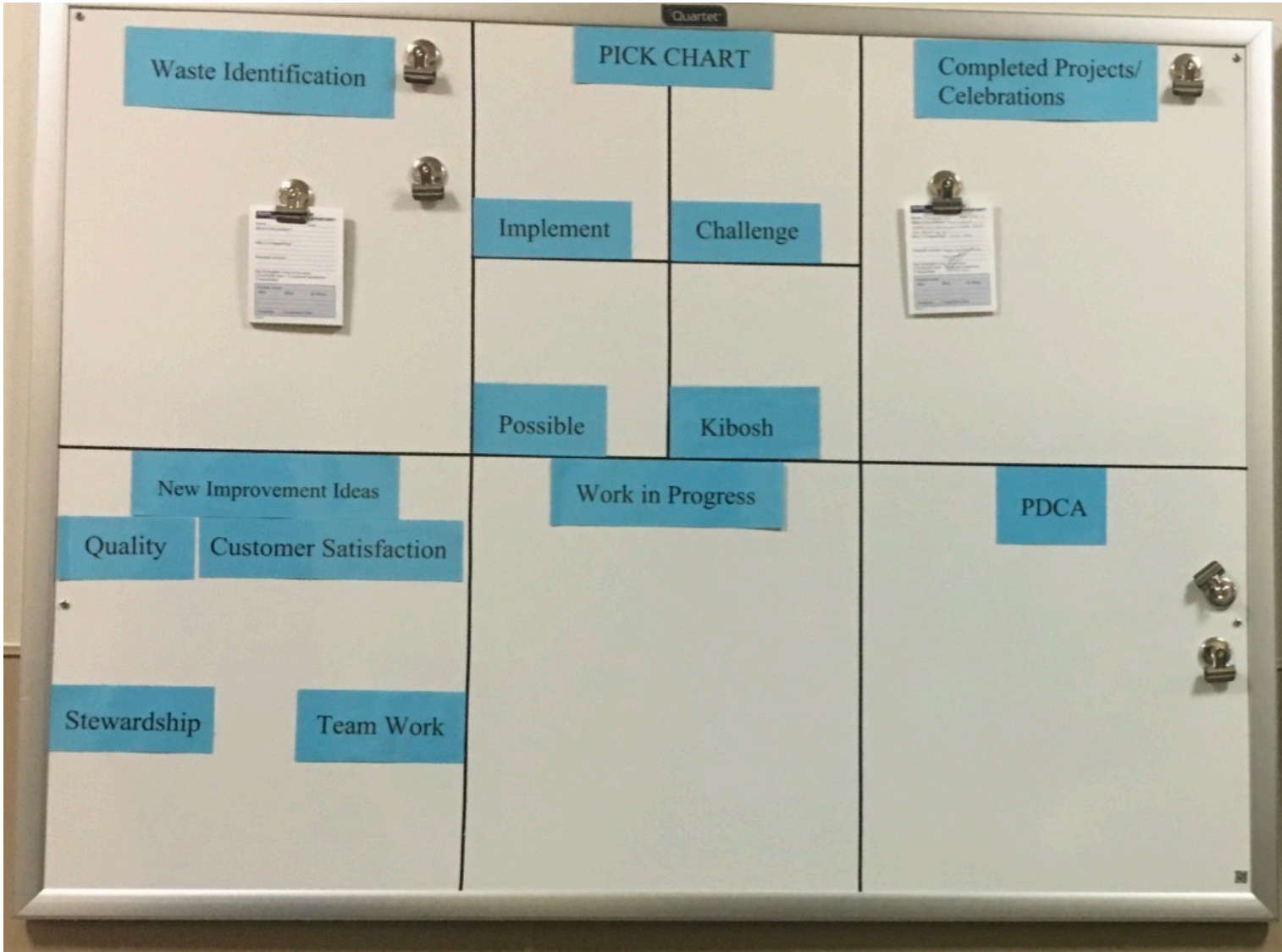
W. Edwards Deming  
(1900 – 1993)

**“This makes so much sense, why isn’t everybody doing it?”**

# “By what method are we implementing all the things?”

- Lean, Six Sigma, TQM
- Continuous Improvement
- High-Reliability Organizations
- TeamSTEPPs
- Hourly Rounding
- ????

# Countermeasures: Mechanics or Mindsets?





# Countermeasures to the Countermeasures?

How often is “more training” the wrong countermeasure?

Why?

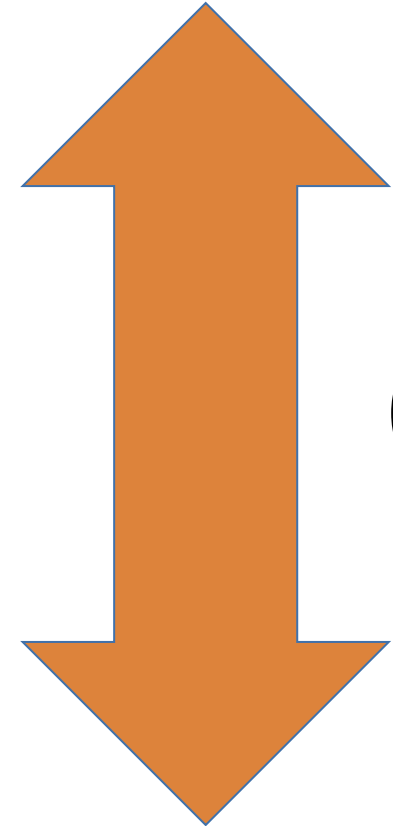


**TRAIN THEM ON ALL THE THINGS**

# What's the Gap?

# Why the Gap?

15,000 ideas implemented per year  
(2 per person per year)



GAP

**Fear** *futility*

Our C.I. participation

“In [one] study, we found that **futility was 1.8 times more common than fear** as a reason for withholding ideas from direct supervisors in a large multinational corporation.”

What causes that sense of futility?

**Ethan Burris, Ph.D.**

- UT Austin
- Professor of Management



# Why Do People Fear Speaking Up?

**Fear** *futility*

# Lessons Learned About Fear

- You ~~can't~~ just tell people to be brave  
shouldn't

Why not?

# Lessons Learned About Fear

- Telling people to be brave is ineffective & unfair



# Quick Exercise



# Lessons From Motivational Interviewing

- People aren't “resistant to change”
  - They're “ambivalent”



# Lessons From Motivational Interviewing

Reasons TO  
speak up

Reasons NOT to  
speak up



Leaders need to create the  
conditions that make it  
safer for people to speak up

# What is Psychological Safety?

**A culture of rewarded vulnerability**

**“exposure to the risk of harm or loss”**

# What Are Vulnerable Acts?

- Speaking up to answer that question is one!

Please pair up  
and brainstorm

- Is this less vulnerable?

# A Partial List of Vulnerable Acts

- asking a question
- sharing an idea
- acknowledging we don't know something
- saying “I made a mistake”
- sharing an experience
- just showing up
- sharing something about yourself
- doing anything for the first time
- asking for help
- introducing yourself
- calling out a potential error
- disagreeing with somebody

# Amy Edmondson – Psychological Safety

- “Psychological safety is a belief that one will not be
  - punished or humiliated
- for speaking up with
  - ideas
  - questions
  - concerns or
  - mistakes.”



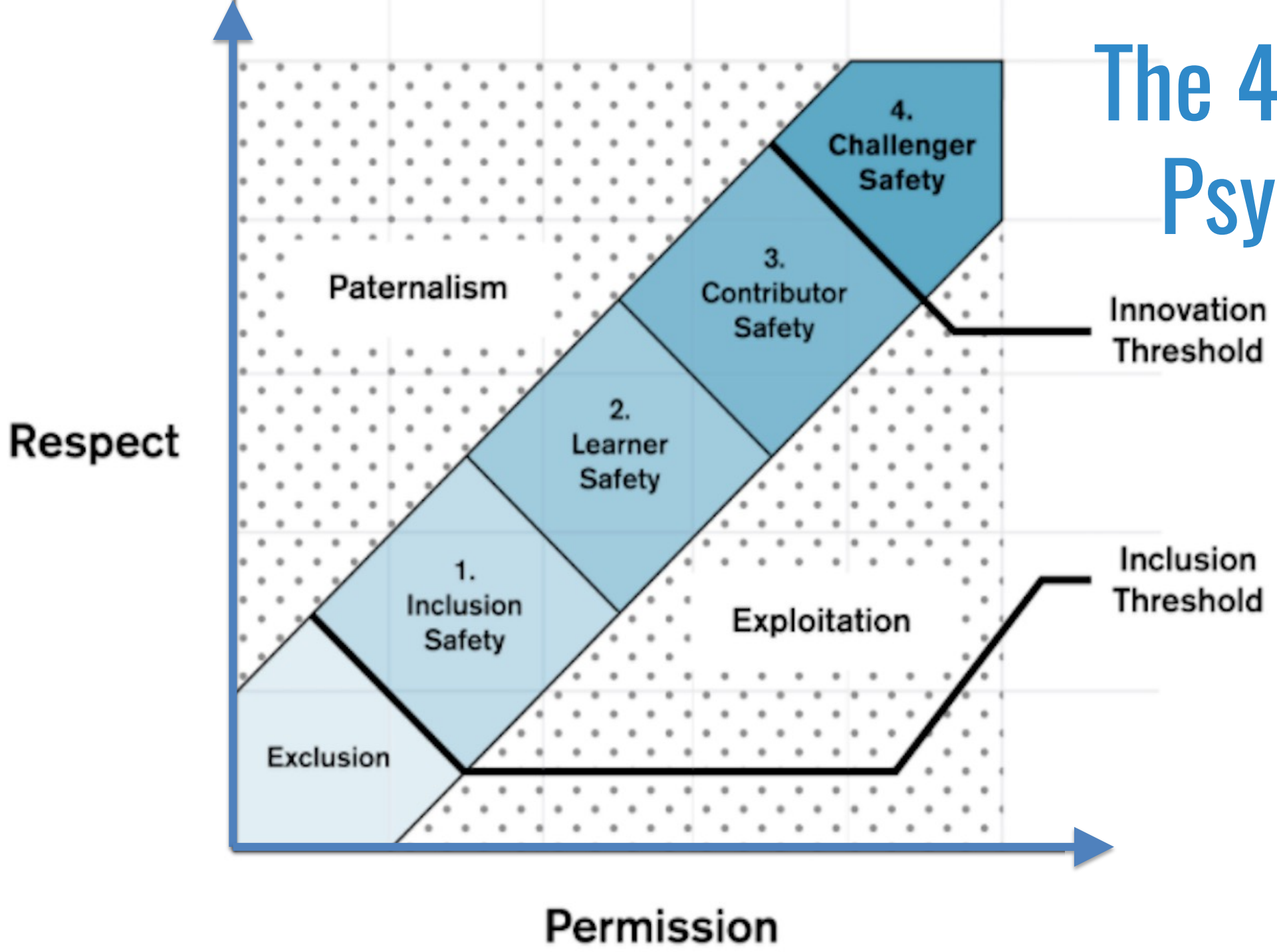
# Timothy R. Clark – Psychological Safety

- “Psychological safety\* is a social condition in which you feel:
  1. Included
  2. Safe to learn
  3. Safe to contribute
  4. Safe to challenge the status quo
- ... all without fear of being embarrassed, marginalized, or punished in some way.”

\* Psycho-social safety might be a better term, but... this is what we have



# The 4 Stages of Psychological Safety





# Why Psychological Safety?

“You will lose  
top talent  
without this.”



# My Hypothesis



Higher Levels of  
Psychological Safety



Lower Rates of  
Employee Attrition

# Data Shows



Higher Levels of  
Psychological Safety



Lower Rates of  
Patient Harm

# Why Psychological Safety?

“The level of psychological safety on a team is the central measure of that team’s culture, health, and vitality.”

# Google's Project Aristotle

- What makes teams there most successful?

**Psychological  
Safety**

# Why We Need This In Healthcare

- Edmondson found that “better teams” had what?

Higher Error  
Rates?

Lower Error  
Rates?

# Why We Need This In Healthcare

- Edmondson found that “better teams” did what?

REPORTED

Higher error rates

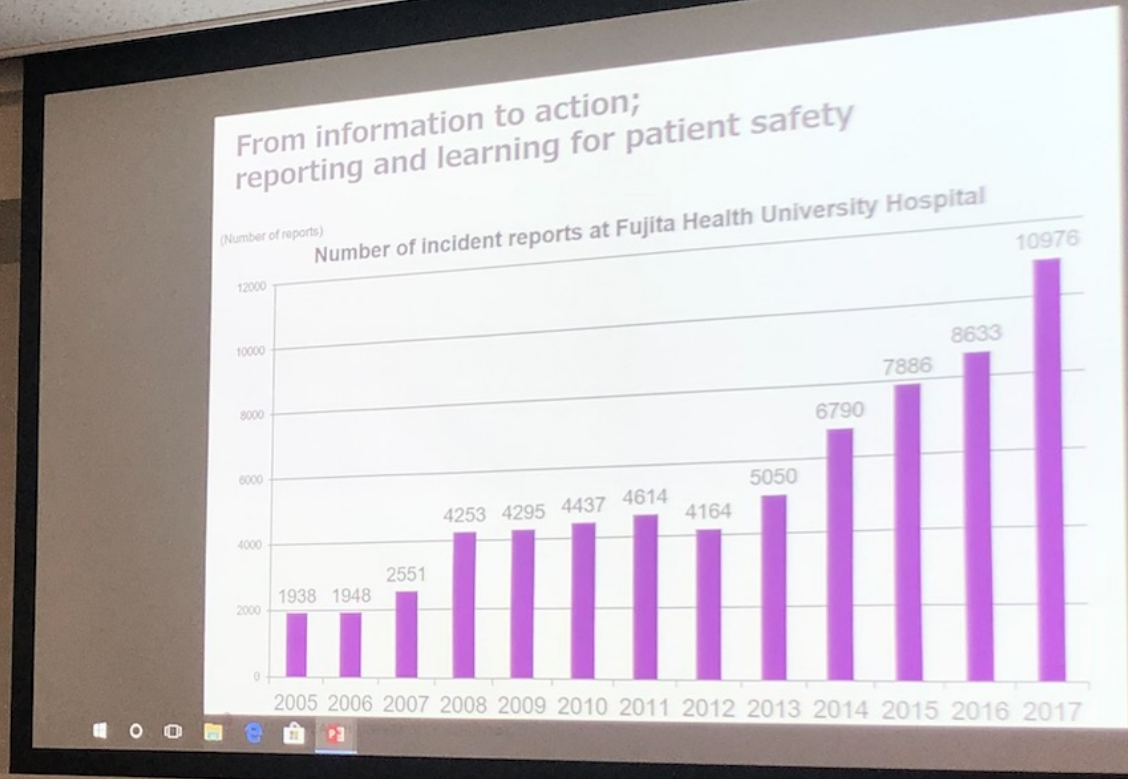
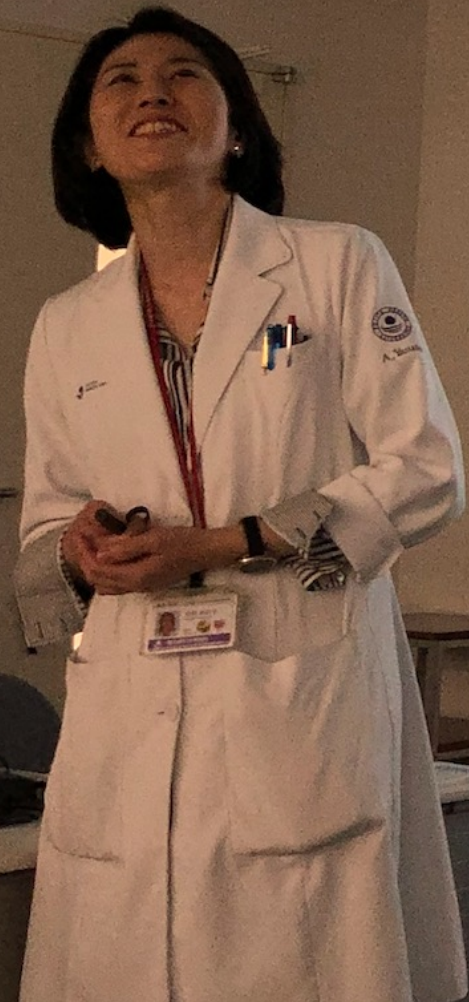
“That forced me to think: Maybe better teams don’t make more mistakes. Maybe they’re more willing and able to talk about them.”

# Why We Need This In Healthcare

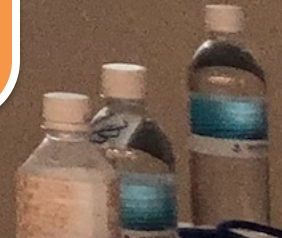
- “Catching, correcting, and reducing errors are team activities, and
- If your teams don’t have the interpersonal climate they need to do that,
- Then it won’t happen.”







“Incident Reports”



# From information to action; reporting and learning for patient safety

(Number of reports)

## Number of incident reports at Fujita Health University Hospital



More Reporting +  
Better Problem Solving = ??

# What's Our Level of Psychological Safety?

- It's not yes/no – it's a spectrum
  - How much Psychological Safety do we have?
  - To what degree?
- Psychological Safety is an **outcome** of:
  - What we do
  - How we do it

If you have  
to ask...

# You Can't Mandate Safety!

“I’ve seen some leaders try to enact psychological safety with words. They mistakenly believe they can decree it into existence by simply saying, ‘Psychological safety is a priority for our organization. Please speak up. Give us your honest feedback and candid input. It’s now safe.’”



**You Can't  
Mandate  
Innovation!**

# You Can't Force People to Speak Up!

- Physical safety, where we can see risks in advance
  - Calling out a risk, near miss, or harm can be scary
  - It's a “vulnerable act”
- Calling out events that harm our perception of Psychological Safety can be scarier!
  - What is one thing that prevents you from feeling included on your team?  
**“It's really not safe to say why”**

How much  
psychological safety  
do we have?



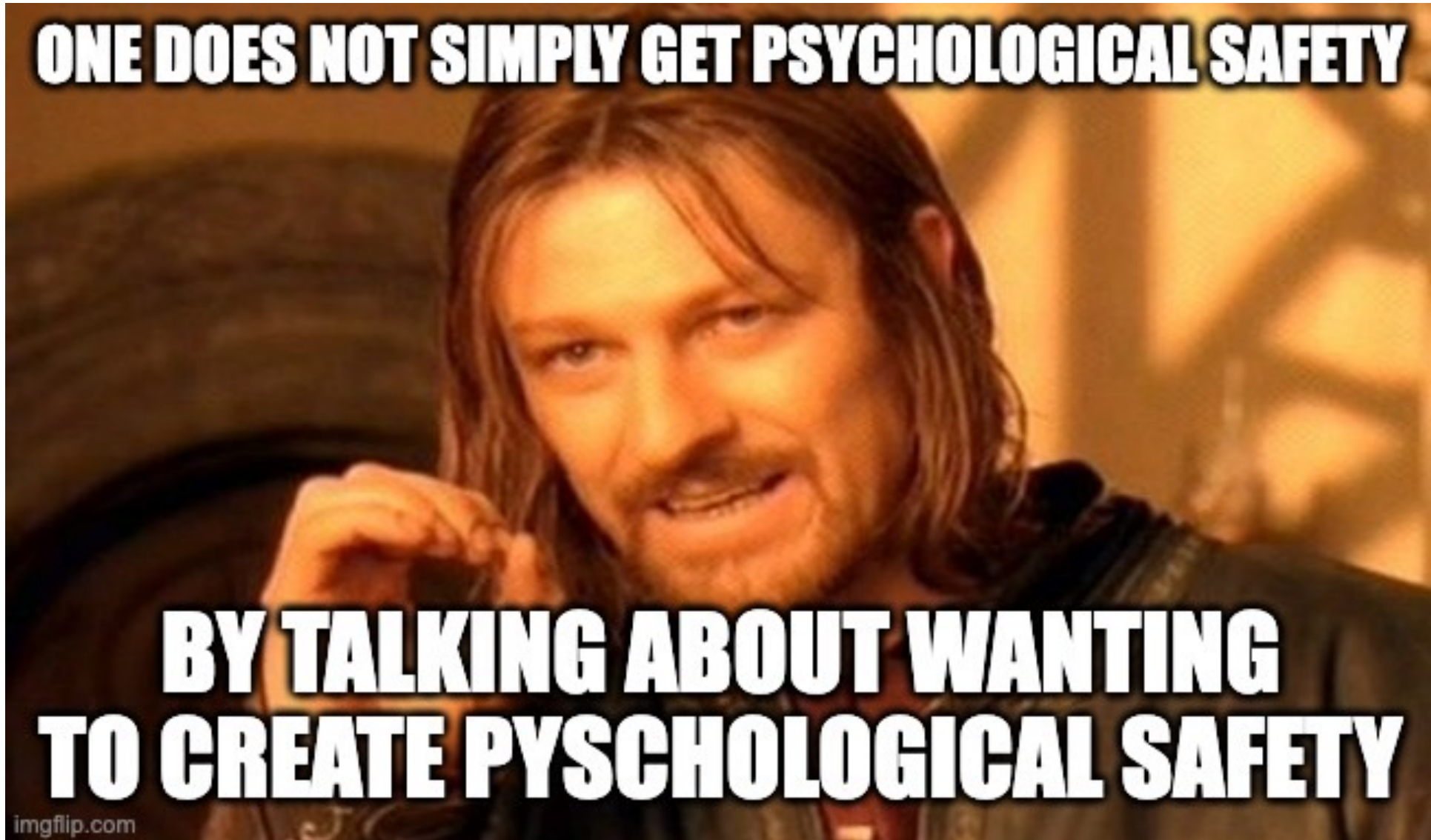
# You Can Measure It

- We can measure perception of its presence through occasional surveys
- We can act every day to build Psychological Safety



Overall 60<sup>th</sup> %-tile

# You Can Improve It, But Again...

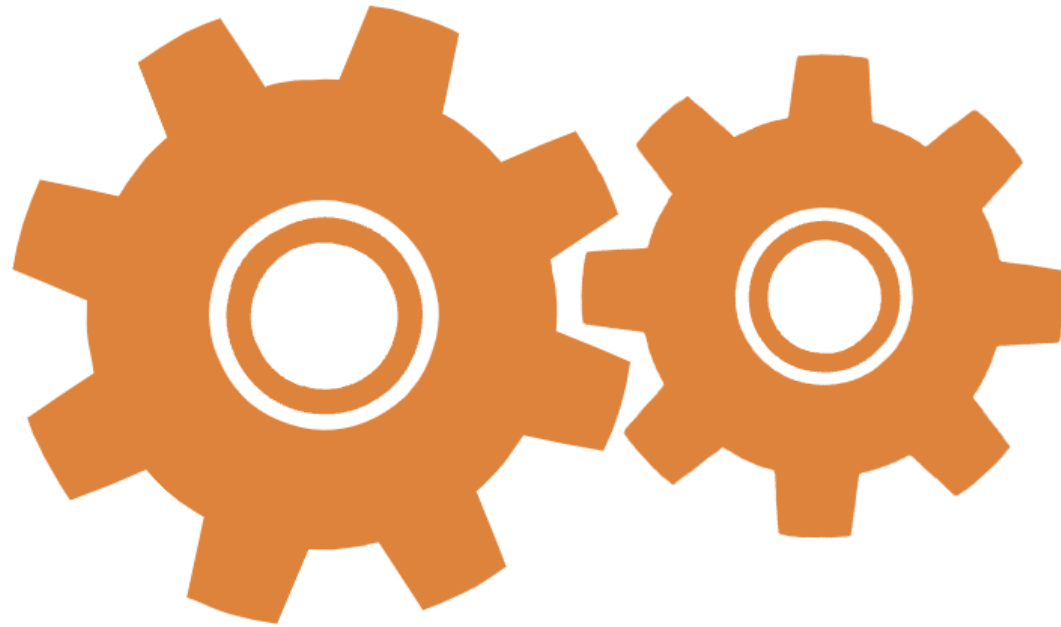


**ONE DOES NOT SIMPLY GET PSYCHOLOGICAL SAFETY**

**BY TALKING ABOUT WANTING  
TO CREATE PYSCHOLOGICAL SAFETY**

# You Can Improve It

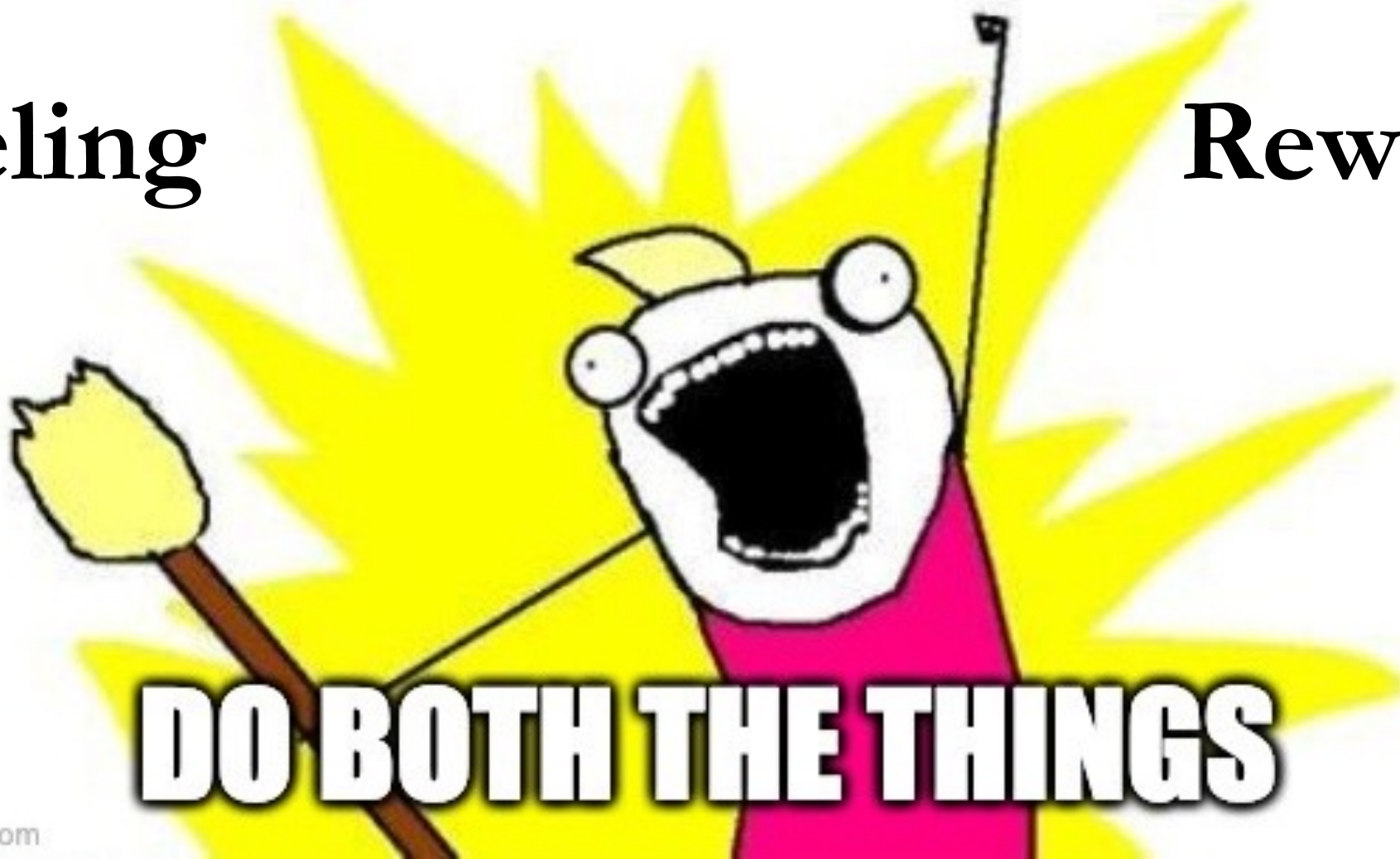
**Modeling  
Vulnerable  
Behaviors**



**Rewarding  
Vulnerable  
Behaviors**

**Modeling**

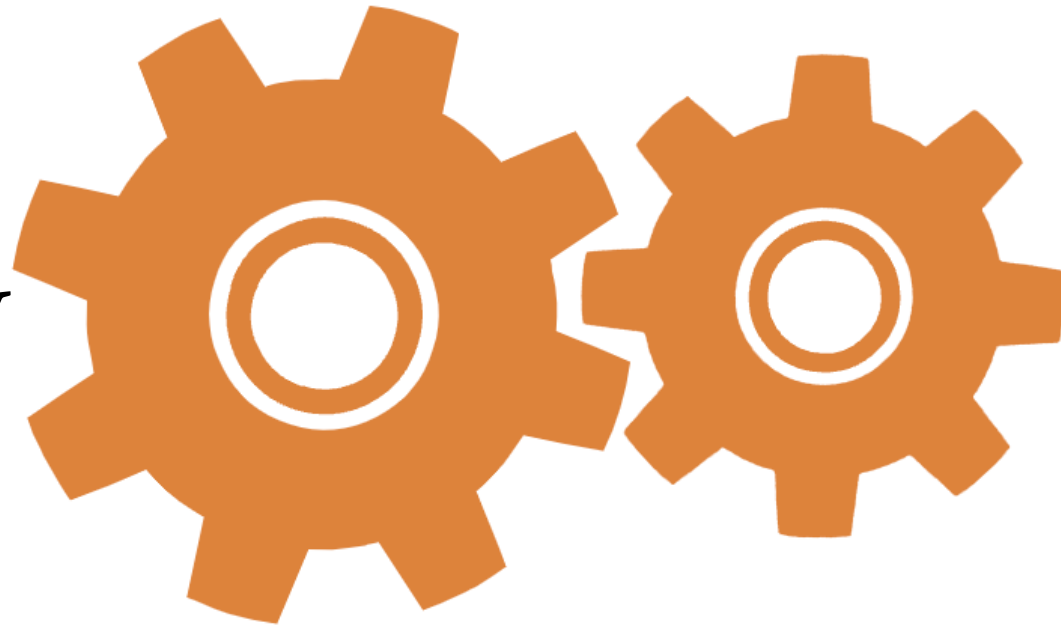
**Rewarding**



**DO BOTH THE THINGS**

# Leaders Can Destroy It

**Not  
Leading by  
Example**



**Punishing  
Vulnerable  
Behaviors**

# Rewarding, Not Punishing, Vulnerability

- “If vulnerable acts are NOT rewarded, you can’t:
  - be yourself,
  - learn at capacity,
  - contribute at capacity, or
  - innovate at capacity.”
- “You will bleed talent without psychological safety.”



# We ALL Play a Role in Shaping Culture

- Do we have a:
  - Culture by Design
  - OR**
  - Culture by Default?

Whose modeling matters most?

- We are all cultural architects, whether we like it or not
- We're all modeling behaviors and norms – which ones?

# Stage 4: Challenger Safety

- Is it safe to challenge the status quo???

# Kaizen!

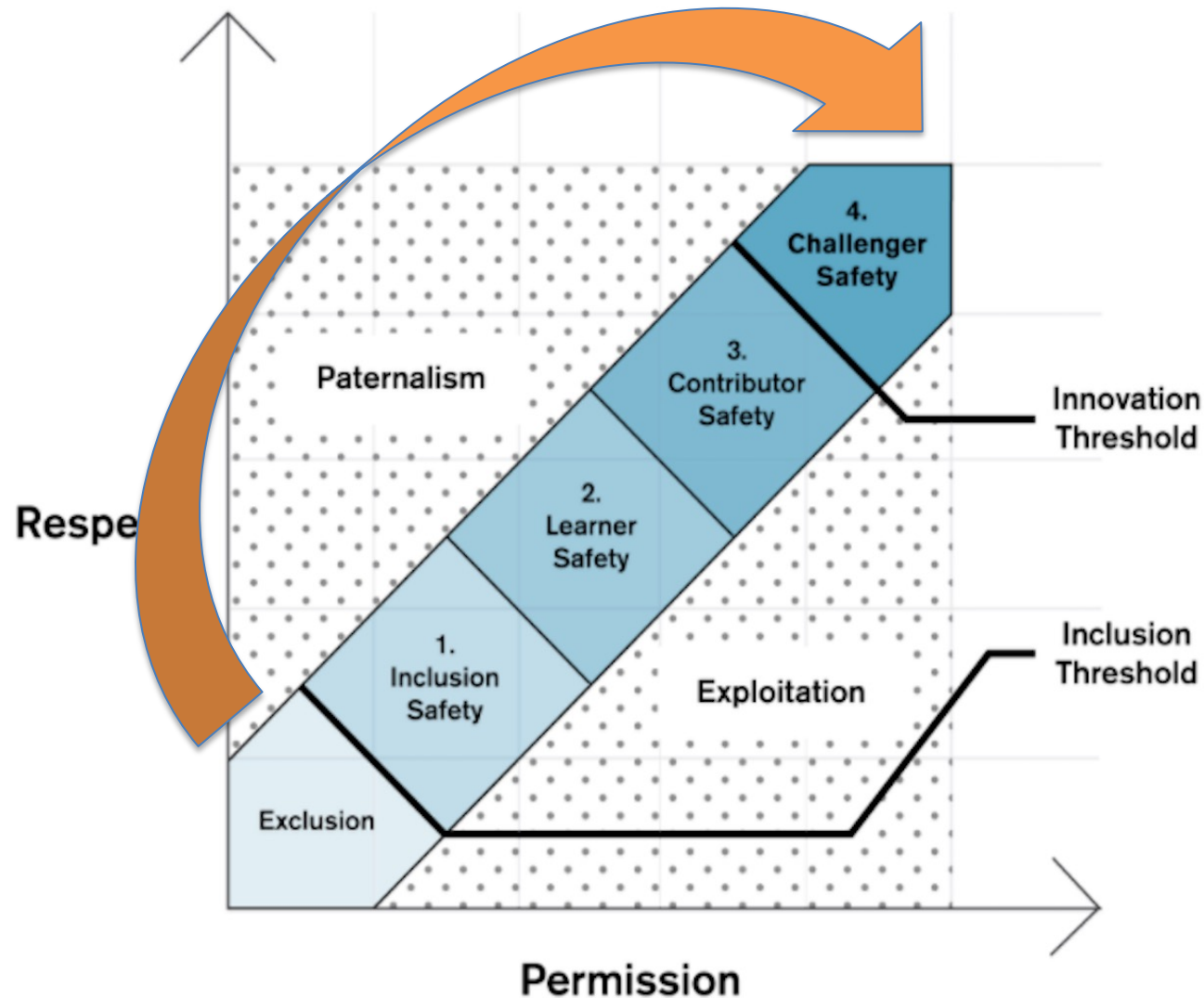
- Any form of improvement or innovation



# Stage 4: Challenger Safety

- “If you can bring a team to Stage 4, you’re world-class.”
- “We don’t just tolerate challenging behavior, we encourage it.”
- “It’s hard to get to this place.”

# You Can't Jump Ahead to Stage 4!



**Research-  
based  
progression**

# Stage 1: Inclusion Safety

- Satisfies the basic human need to be:
  - Included
  - accepted, and
  - belong
- Makes it not expensive to be yourself
- You are accepted for who you are, including your
  - unique attributes and
  - defining characteristics

# Stage 1: Inclusion Safety

- I am accepted as a member of my team
- I am treated with respect
- I feel included by the people I work with

Would your team  
agree with these?  
(1-10 scale)

A man with short brown hair, wearing a light blue button-down shirt, is sitting at a wooden desk. He is looking down at a laptop in front of him with a pained expression, his hands pressed against his temples. The background is a dimly lit room with a bookshelf, a potted plant, and a lamp. The overall mood is one of stress and discomfort.

# Without Inclusion Safety

The pain centers of the brain are activated

# Stage 1: Inclusion Safety

- Everybody is ENTITLED to this, a “human right”
- “Respect for humanity” – Toyota Principle
- “Respect every individual” – Shingo Principle
- “You can have inclusion safety on day one”

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Stage	Definition of Respect	Definition of Permission	Social Exchange
<b>1. Inclusion Safety</b>	Respect for the individual's humanity	Permission for the individual to enter your personal society	Inclusion in exchange for human status and the absence of harm

**“Worth  
Precedes  
Worthiness”**



“The human need  
to feel included  
precedes the need  
to be heard.”





“Inclusion  
unlocks the  
diversity.”



Are We:

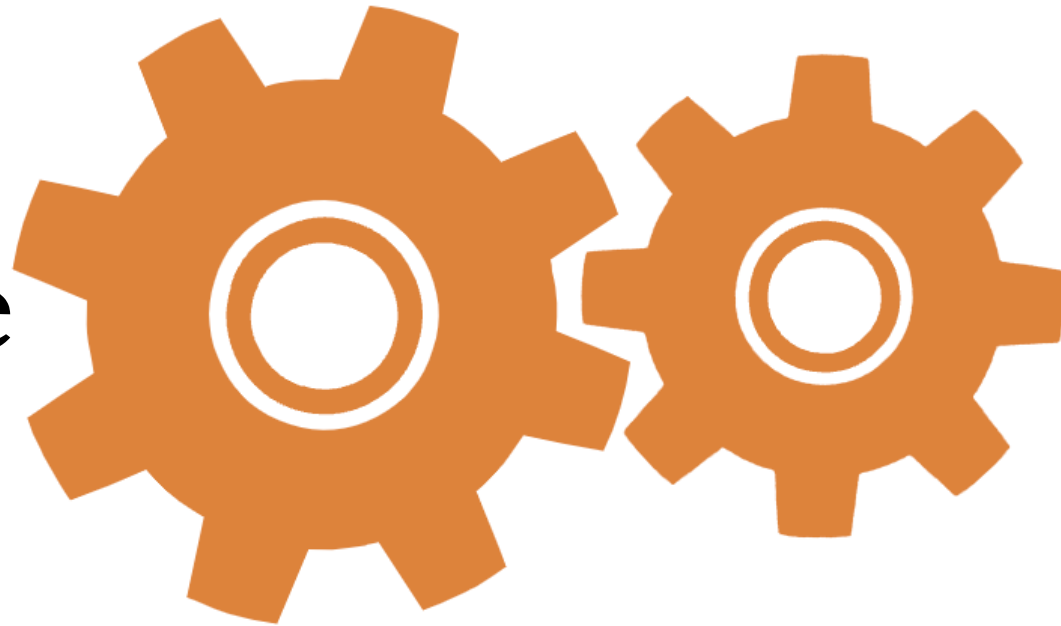
Interacting

OR

Connecting

# Stage 1: Inclusion Safety

**Modeling  
Vulnerable  
Behaviors**



**Rewarding  
Vulnerable  
Behaviors**

Please pair up and brainstorm examples of modeling & rewarding inclusion safety

# Stage 2: Learner Safety

- Satisfies the basic human need to learn and grow
- You feel safe in the learning process
  - Asking questions
  - Giving and receiving feedback
  - Experimenting
  - Making mistakes
- This is the preparation phase

**Learning is  
intellectual  
and emotional**

**Thinking and Feeling**



# Stage 2: Learner Safety

- I am allowed to learn from my mistakes
- I feel comfortable asking questions
- My team supports my efforts to learn

Would your team  
agree with these?  
(1-10 scale)

A man with dark hair and a beard, wearing a white lab coat and a stethoscope, has a piece of silver tape covering his mouth. His eyes are closed, and the background is a solid grey color.

Without Learner Safety

Our instinct to self-censor kicks in

# Stage 2: Learner Safety

Stage	Definition of Respect	Definition of Permission	Social Exchange
<b>2. Learner safety</b>	Respect for the individual's innate need to learn and grow	Permission for the individual to engage in all aspects of the learning process	Encouragement to learn in exchange for engagement in the learning process

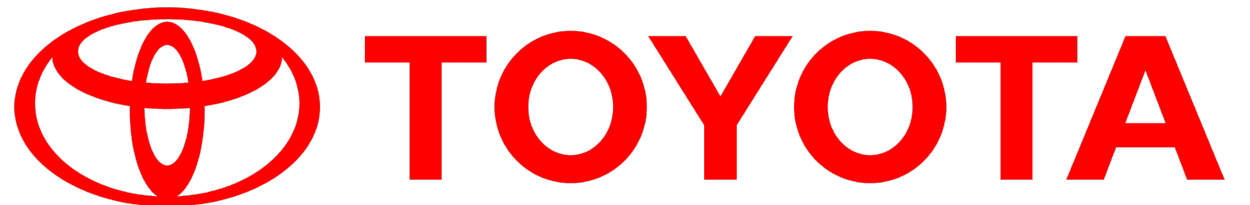
**What are vulnerable acts related to learner safety?**



# Stage 2: Vulnerable Acts

- Asking questions
- Soliciting feedback
- Floating ideas
- Experimenting
- Making mistakes
- Failing

Kaizen!



**Avoid triggering the  
instinct to self-censor**

“I made a mistake”

What reaction would you get?

“Disconnect  
mistakes from  
failure and fear.”



# Learning From Mistakes at Toyota

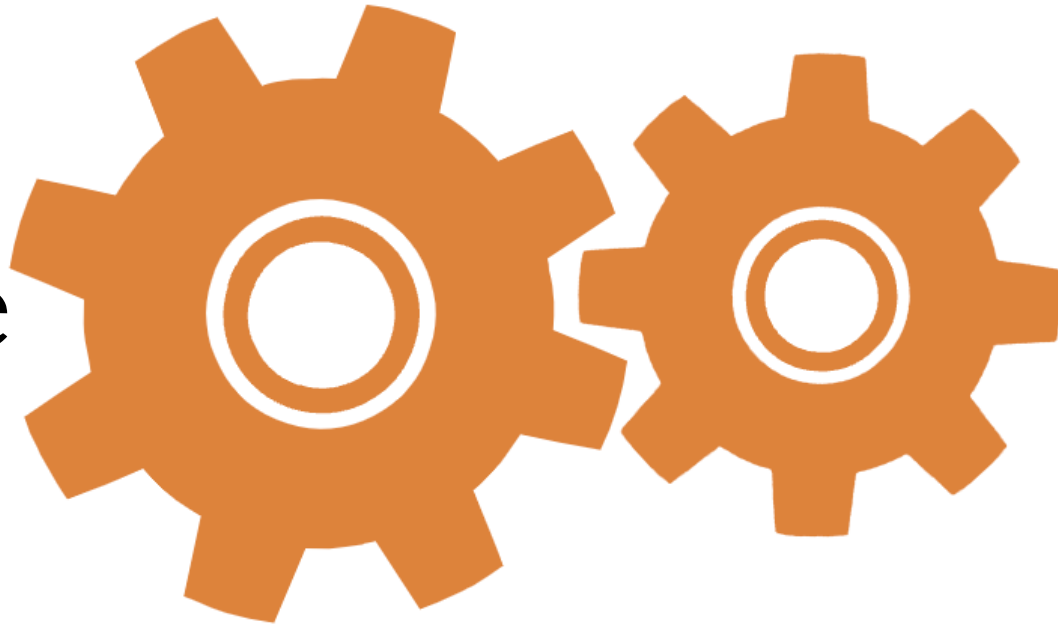
**Isao Yoshino**  
Japan  
1960s



**David Meier**  
Kentucky  
1980s

# Stage 2: Learner Safety

**Modeling  
Vulnerable  
Behaviors**



**Rewarding  
Vulnerable  
Behaviors**

Please pair up and brainstorm examples of modeling & rewarding learner safety

We need to learn faster  
than the rate of change

# Stage 3: Contributor Safety

- Satisfies the basic human need for
  - *Autonomy*
  - *Contribution*
- You feel safe and are given the opportunity and role clarity to use your skills and abilities to make a difference



# Stage 3: Contributor Safety

- From preparation to performance
- The opportunity to create value
- Deep need to do meaningful work



# Paul O'Neill's 3 Questions

- Am I treated with **dignity** and **respect** by everyone I encounter?
- Am I given the **resources** I need to make a contribution to the organization that **adds meaning to my life**?
- Is my work **recognized** by someone whose opinion matters to me?

# Stage 3: Contributor Safety

- *Autonomy is not a right*
- *Autonomy with guidance is given in exchange for results*
  - “Mutual investment”

# Stage 3: Contributor Safety

- My team allows me to do my job
- My team values my contribution
- I am encouraged to contribute as much as I can in my role

Would your team  
agree with these?  
(1-10 scale)

# Without Contributor Safety

A hand is shown reaching out from a jagged hole in a white wall. The hand is palm facing forward, with fingers slightly spread. The background behind the wall is a dark, solid color. The overall image has a semi-transparent grey overlay.

We freeze our discretionary efforts due to  
fear of social and emotional harm

# We Need to Eliminate Fear

“Fear-stricken teams

- give you their hands,
- some of their head, and
- none of their heart.”



# Stage 3: Contributor Safety

Stage	Definition of Respect	Definition of Permission	Social Exchange
<b>3. Contributor safety</b>	Respect for the individual's ability to create value	Permission for the individual to work with independence and their own judgment	Guided autonomy in exchange for results

# Finding the Balance Between

Micro-  
manager



“Absentee  
Landlord”

Why do we do it?

Why don't we like it?

The dangers of  
micromanaging?



# Leaders Provide:

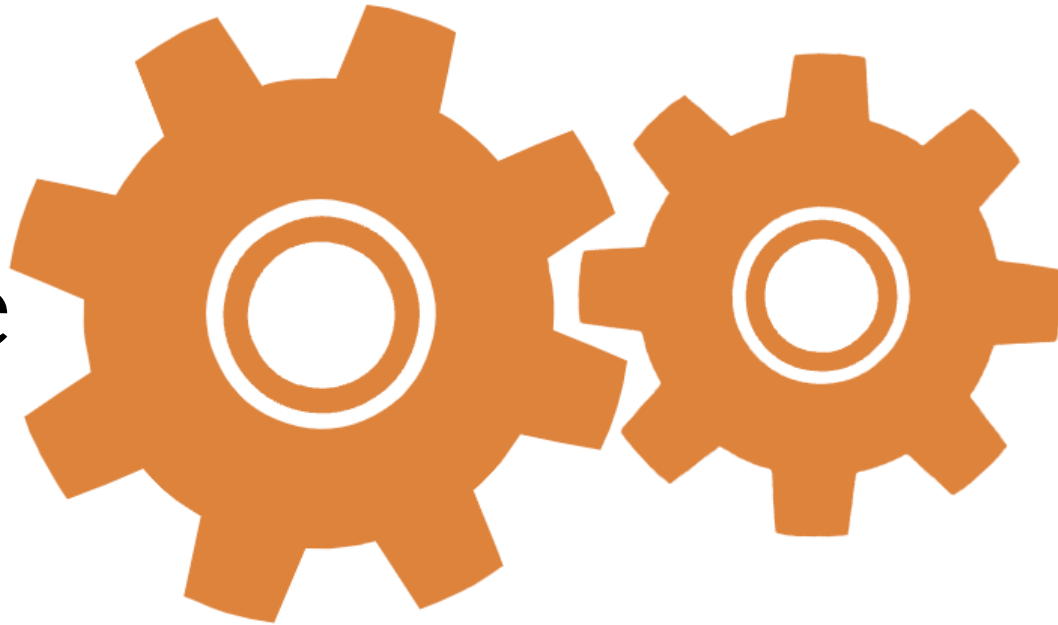
“Autonomy with guidance”

Strategy deployment??



# Stage 3: Contributor Safety

**Modeling  
Vulnerable  
Behaviors**



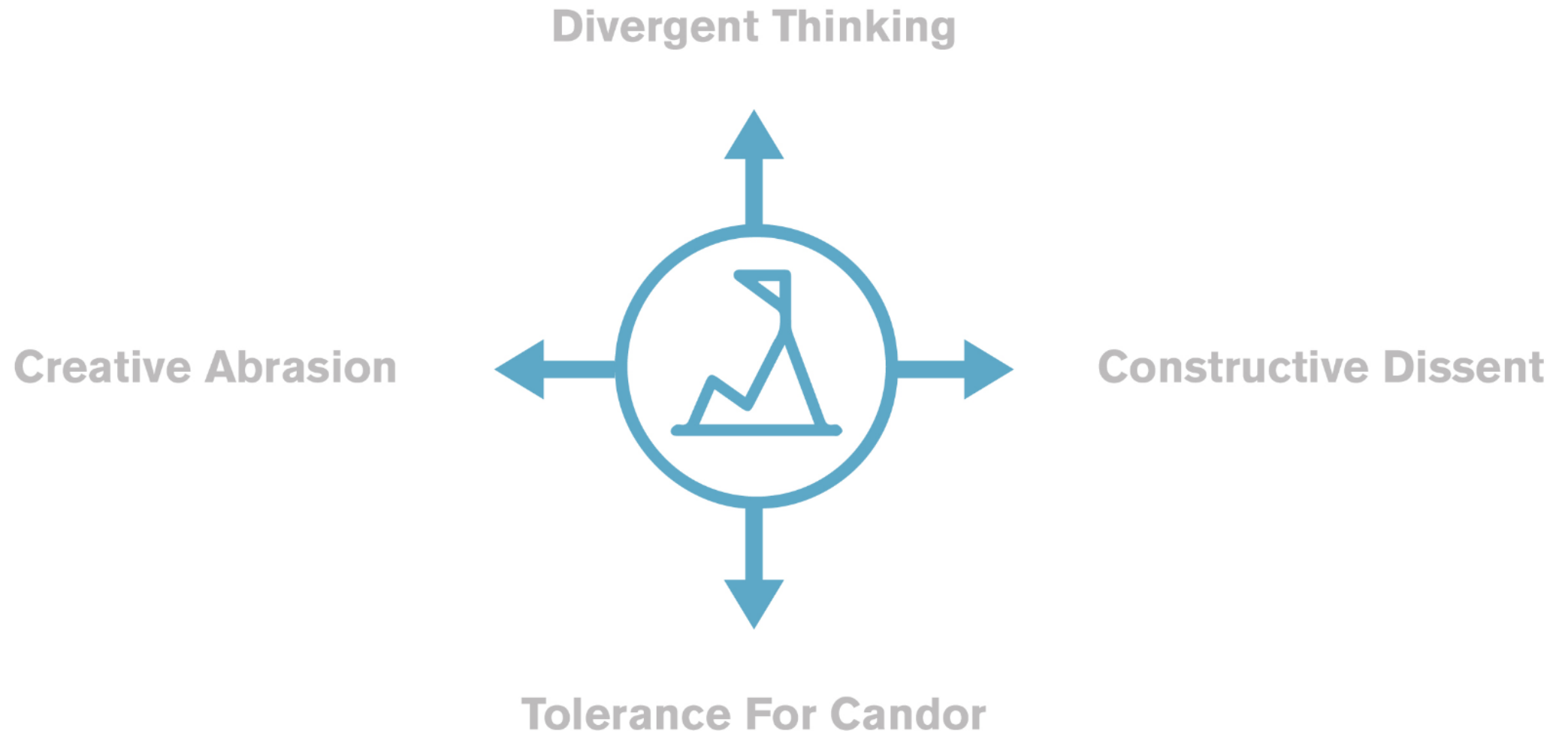
**Rewarding  
Vulnerable  
Behaviors**

Please pair up and brainstorm examples of modeling & rewarding contributor safety

# Stage 4: Challenger Safety

- Satisfies the basic human need to make things better
- When you think there's the need or an opportunity to improve, you feel safe to
  - Speak up
  - Challenge the status quo

# What Does Challenger Safety Look Like?



# Stage 4: Challenger Safety

- I can take reasonable risks without being punished
- I feel safe disagreeing with the way my team does things
- I have the freedom to challenge the status quo

Would your team agree with these?  
(1-10 scale)

# Quick Anonymous Electronic Survey

- Go to:  
[www.Menti.com](http://www.Menti.com)
- Enter code  
– **4268 9750**



A hand is shown drawing a colorful bird with a skull on its head. The bird is drawn with black outlines and has a blue and orange pattern on its body. The skull is white with black eyes. The background is a light gray with some faint, sketchy lines. The text is overlaid on the drawing.

Without Challenger Safety

There's a high cost to  
curiosity and creativity  
**AND CAREERS!**

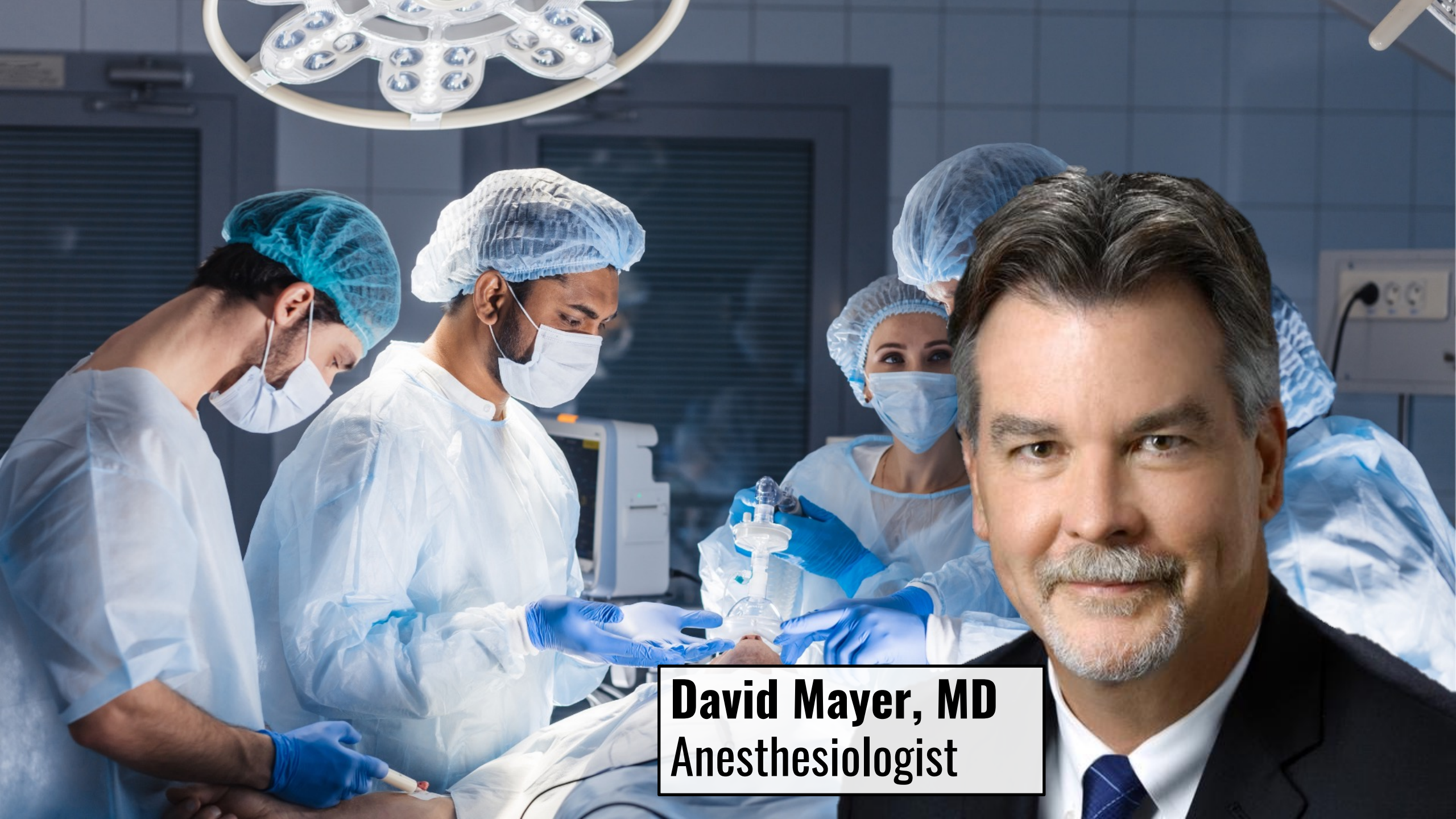
Silence is  
Expensive



**Lack of Engagement =  
Lack of Innovation**

# Stage 4: Challenger Safety

Stage	Definition of Respect	Definition of Permission	Social Exchange
<b>4. Challenger safety</b>	Respect for the individual's ability to innovate	Permission for the individual to challenge the status quo in good faith	Cover in exchange for candor



**David Mayer, MD**  
**Anesthesiologist**

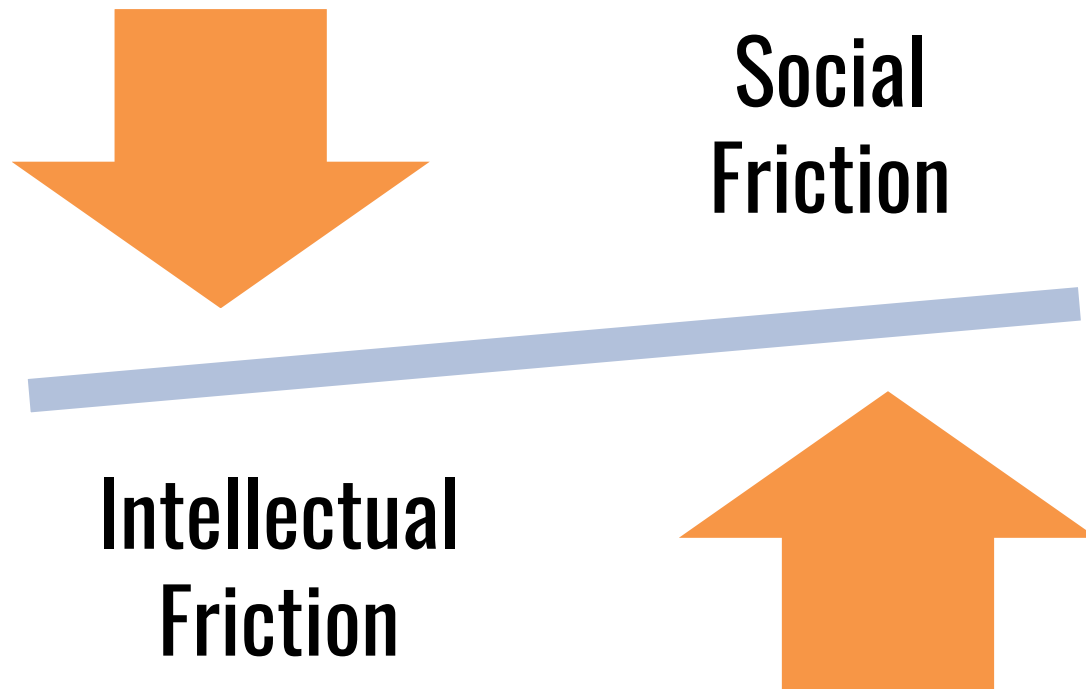
# Stage 4: Challenger Safety

- We protect each other
- And we protect the patients
- By creating challenger safety

# Is it Challenging to Challenge?

- Without challenger safety...
- A few unusually brave people will speak up...
- Is that enough to drive innovation?

“Innovation is not some kind of frictionless, comfortable process.”



# Are We Innovating?

- Root of the word:
  - “Altering something”
- All improvement is innovation
  - Most innovation is incremental

# Breaking Down Hierarchy

“An exaggerated deference to the chain of command will not lead to innovation.”





# Which Ideas Win Out?

- What is more highly regarded?
  - Source of the idea?
  - Substance of the idea?

**SPEAK**

“Leaders ~~Eat~~ last”

# HIPPOs are Dangerous



“The highest paid person's opinion”

# We Need a Culture of Candor

The ideal:

“Creative abrasion  
with a high tolerance  
for candor.”



# When Giving Feedback...

- Are you able to give unvarnished feedback?
- Or are you protecting yourself by self-censoring?

# Are They REALLY Open to Feedback?

- Is your feedback rewarded or punished?
- How long do I have to wait?

# How Does a Leader React to Bad News?



The most important  
signal you send out

# Tiered Huddles...

- How much of the feedback or information is **SANITIZED** before it reaches the top level?

# We Need a Culture of Candor

- What's potentially problematic about this?
- A leader who frequently says:
  - “To be candid...”
  - “Candidly...”



# Candor Always Comes Out...

- In the meeting?
- Or in the hallway?
  - Or the text message?
  - Or the private chat Zoom message?



# Dissent is Good and Necessary

- Leaders are RESPONSIBLE for inviting dissent
- Encouraging dissent
- Rewarding dissent
- Creating the obligation of dissent

# Action: Assign the Role of Dissenter

- Tell me why this is a bad idea...
- What are the vulnerabilities?

This takes away  
the personal risk

# Challenger Safety

“This is how we solve problems.”



# Our Culture Choice

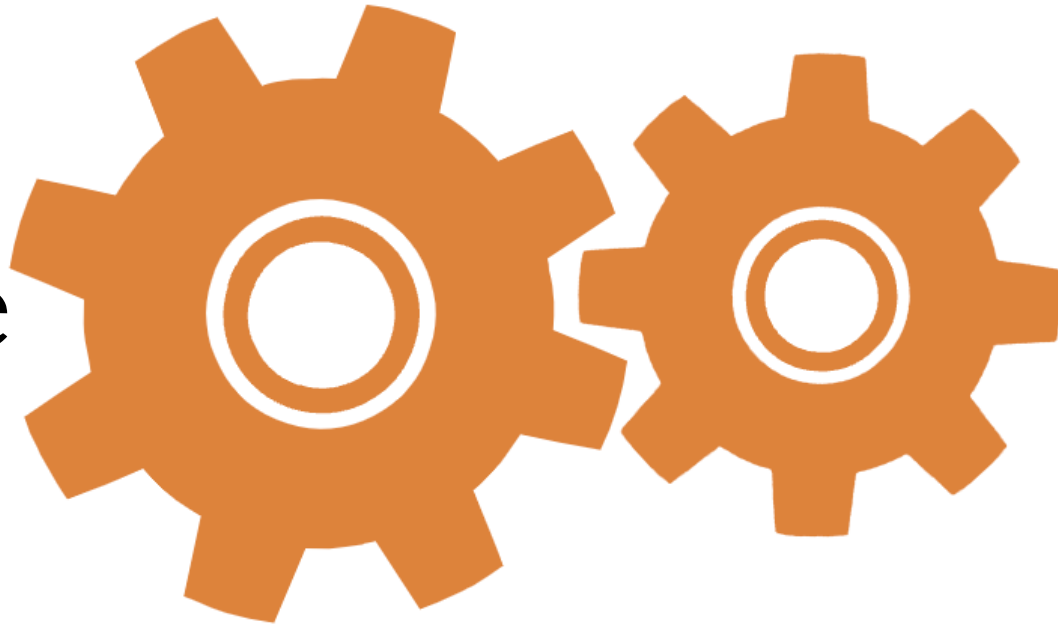
Echo  
Chamber

OR

Innovation  
Hub

# Stage 4: Challenger Safety

**Modeling  
Vulnerable  
Behaviors**



**Rewarding  
Vulnerable  
Behaviors**

Please pair up and brainstorm examples of modeling & rewarding challenger safety

# Our Level of Psychological Safety



Quick and  
easy to tear  
down



Slow and hard  
to build up



# What We Can Do to Build Psychological Safety

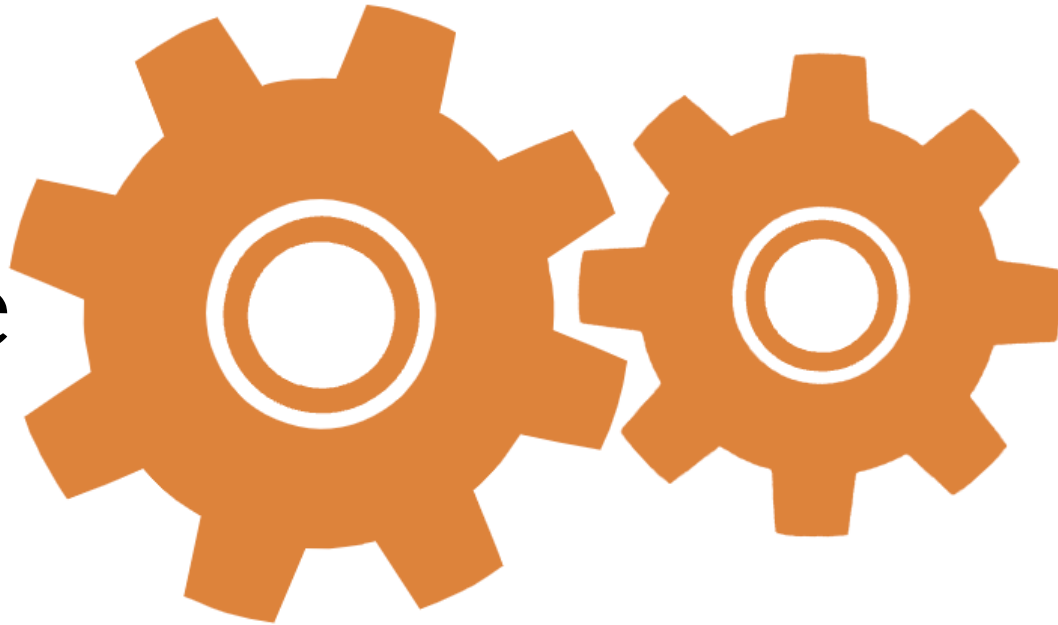
1. Frame the work as a learning problem, not an execution problem
2. Acknowledge your own fallibility
3. Model curiosity and ask lots of questions
4. Solicit input and opinions from the group
5. Share information about personal and work style preferences, and encourage others to do the same





# What We Can Do to Build Psychological Safety

**Modeling  
Vulnerable  
Behaviors**



**Rewarding  
Vulnerable  
Behaviors**



# Amy Edmondson – Psychological Safety

“Psychological safety is a belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns or mistakes.”



# Timothy Clark – Psychological Safety

**A culture of  
rewarded  
vulnerability**



# The Culture Formation Hypothesis

- The leader sets the tone
- Culture of a team reflects, more than anything, the behaviors modeled by the leader
- Teams do not outperform the leader, they reflect the leader



# What Psychological Safety is NOT (1)

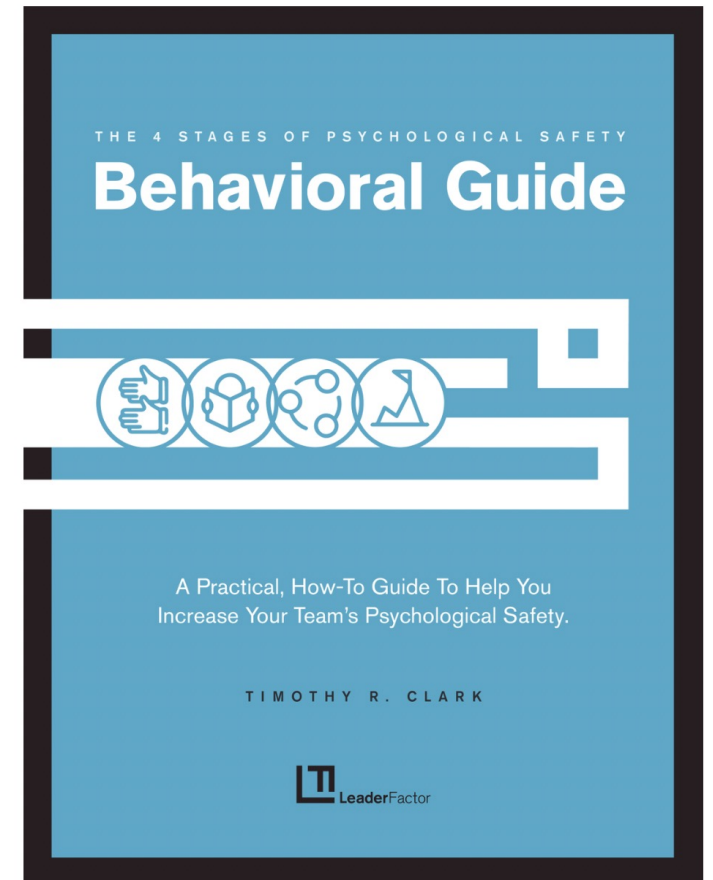
- Niceness – false harmony, shying away from intellectual debate
- Coddling – overprotecting people from anxiety, fear, stress, adversity, and trauma
- A Shield – from accountability when you don't perform

# What Psychological Safety is NOT (2)

- Consensus Decision Making – but it DOES reduce power differentials based on title, etc.
- Unearned Autonomy – autonomy is earned through competence, not entitlement
- Rhetorical Reassurances

# 33 Starting Point Behaviors

- <https://www.leaderfactor.com/resources/the-4-stages-behavioral-guide>
- Free PDF from LeaderFactor
  
- I've linked to it here:
  - <http://www.markgraban.com/MGMC2022>



# Should Have Started Today With a Psychological Safety Briefing?

- For us to learn and to be part of a high-performing event, we need to feel a high level of psychological safety.
- Please model and reward behaviors such as:
  - Including others
  - Asking questions
  - Trying something new
  - Saying “I don’t know”
  - Disagreeing constructively

Yay or Nay?



# The Journey to Psychological Safety



# Psychological Safety & Continuous Improvement

- How would you describe the connections?

Please pair up  
and discuss

- How is this different than how you would have described it at 9 am this morning?

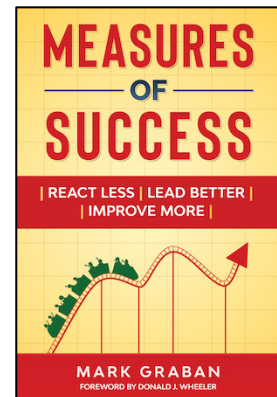
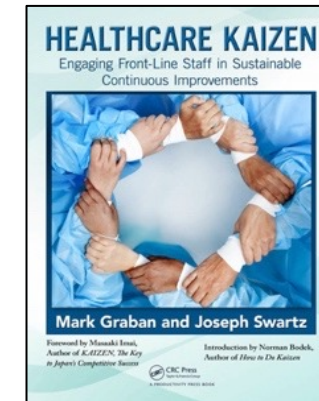
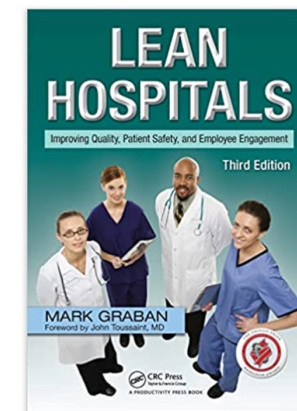
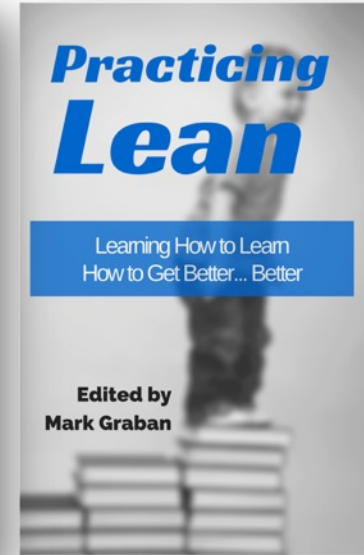
# Thank You!

- **Slides & More:**

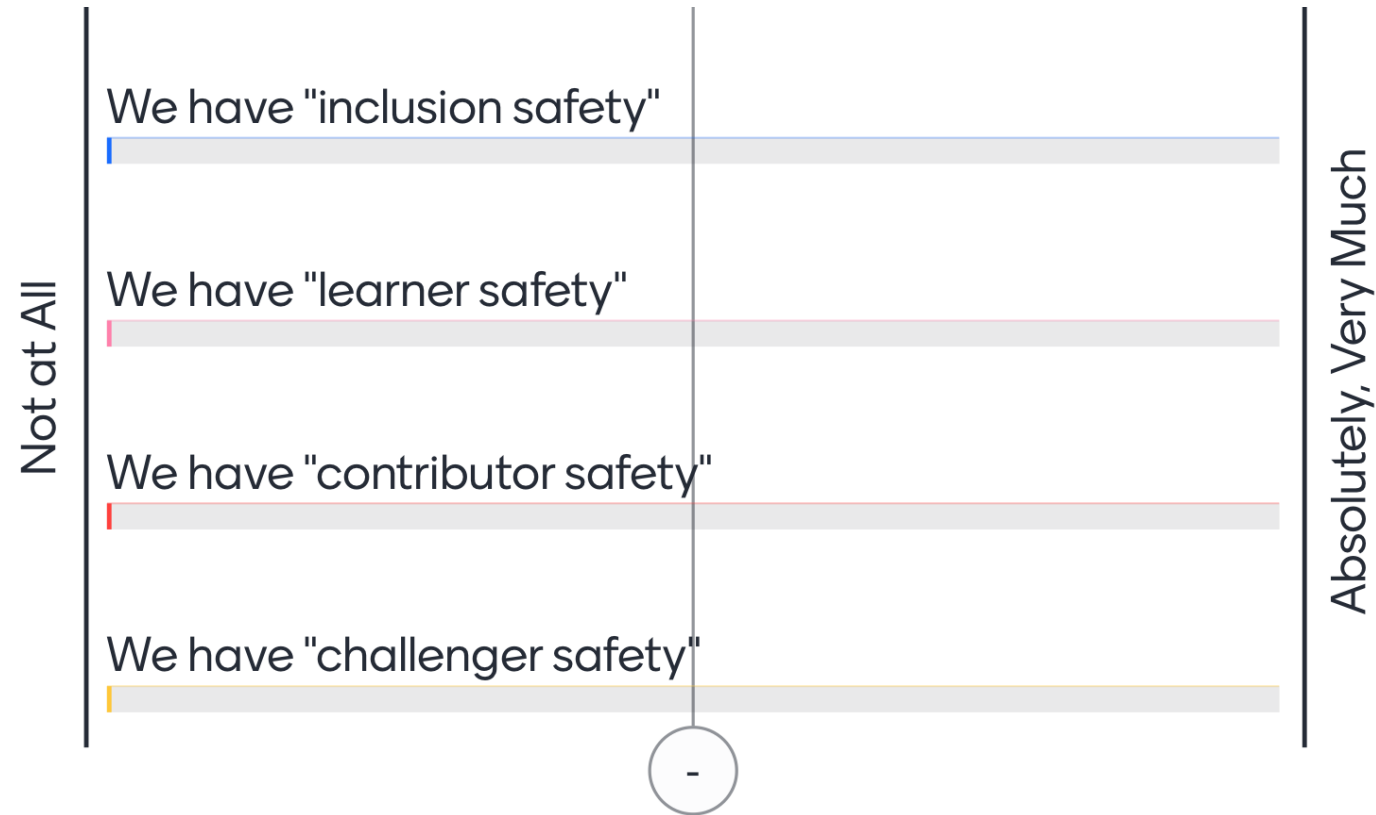
<http://www.markgraban.com/MGMC2022>

- **Email:** Mark@MarkGraban.com

- **Podcasts:** MyFavoriteMistakePodcast.com



# How much would your team generally agree?



# What do YOU personally say?

