The Safety Net:

Supporting Employee
Well-being with
Psychological Safety

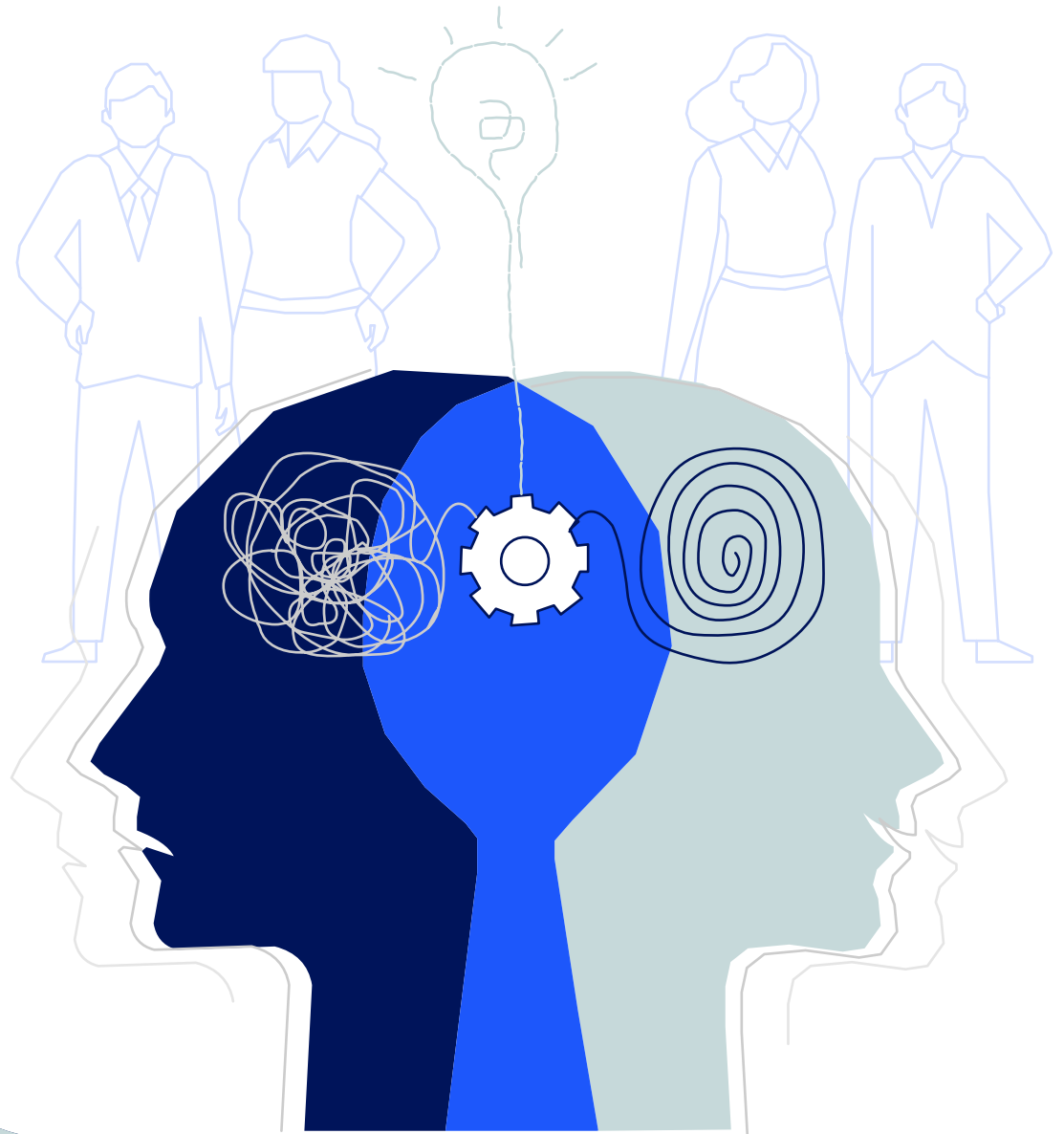## 2023

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About Gi Group

Gi Group Holding is among the world's leading companies providing services for the evolution of the Labour Market, by creating sustainable social and economic value, building an enjoyable work environment and changing people's lives.

We Are
More than Work.
We take the concept of work further. With our ecosystem of HR Solutions and Staffing at its core, we foster a more sustainable and enjoyable Labour Market, while making a positive, life- changing impact on our Employees, Labour Market, Companies and Society.

With Gi Group Holding's strong local networks in a Global Labor Market and thanks to direct presence and strategic partnerships, today we are active across Europe, APAC, and the Americas.

34 Countries With Direct Presence, 650+ Branches and Offices, 8000+ Employees, 20,000+ Clients.

As a leading provider of staffing services, Gi Group Holding recently completed its 25th year anniversary - celebrating a quarter century working towards a sustainable Labour Market. We are proud to announce that Gi Group Holding is the 8th largest European staffing firm (2nd privately held) and 15th worldwide (5th privately held).

Ranked globally and in India as one of the largest staffing firms by Staffing Industry Analysts, Gi Group Holding is also a global corporate member of the World Employment Confederation (formerly CIETT). In India, Gi Group Holding is one of the founding members of the Indian Staffing Federation (ISF). Gi Group is also a long-term strategic member of the National HRD Network.
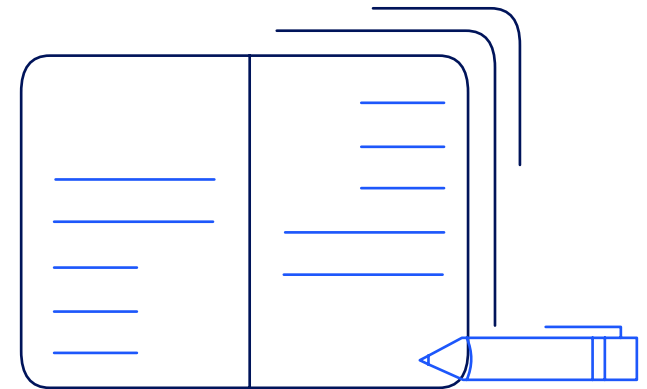
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Foreword

Mental well-being is a pertinent and integral part of modern society and we have finally realised that it is as important as physical well-being. Organisations and corporations are more committed than ever to providing a safe and secure space for people that benefits not only the employees but also the employers in the long run.

Mental well-being of the workforce necessitates psychological safety, which means to be able to exist and be oneself without fear — of being judged, penalised, or otherwise. It encourages people to be creative, innovative, and take risks that drive new solutions. A psychologically safe workplace also attracts the right talents and has higher retention rates.

But, who is responsible for making an organisation a psychologically safe workplace? The majority who feel psychologically safe say that it is on the reporting managers. Hence, leadership trainings on behaviour and communication is crucial and inevitable. Furthermore, it has also been observed that employees in the hybrid work-mode feel the most psychologically safe as compared to in-office and remote employees. Interestingly, all it takes is open communication, policies against biases and discrimination, and operational transparency to make the individuals feel safe.

Unfortunately, the stigma around mental health concerns lingers heavily in the South Asian context. So, until we completely destigmatise the topic, providing a psychologically safe environment is the next best thing to do to avoid mental health issues related to work. With that, let's march into a world where safe organisations nurture fearless talent.

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Executive Summary

The Safety Net: Supporting Employee
Well-being with Psychological Safety

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Executive Summary

- **94%** of the employees surveyed believe that psychological safety is imperative at workplaces; to their benefit, most employers (**79%**) prioritize it as well in their organisations.

- **74%** of employees believe that a psychologically unsafe workplace could have an impact on mental health, whereas fewer employers (**44%**) believe the same.

- A psychologically unsafe environment poses to be a hindrance to innovation (**4.08** rating), talent attraction (**3.94** rating), and retention (**3.88** rating) while also impacting risk-taking (**3.89** rating).

- According to **71%** of the employers surveyed, quality of leadership promotes psychological safety. Top leadership (**43%**) carries the major onus in promoting psychological safety, followed by HRs (**35%**), according to employees.

- Most employees who feel psychologically unsafe (**71%**), put the onus of promoting psychological safety on HRs in contrast to those having very high psychological safety (**63%**) who put it majorly on reporting managers.

- Leadership training on behaviour and communication (**61%** of employee responses) is a prerequisite for employee psychological safety and mental wellness, according to employees.

- **44%** of employees feel highly psychologically safe and **20%** have very high levels of psychological safety. On the other hand moderate levels are seen in **22%** and low levels are seen in **14%** of them.

- Male employees (**3.71** rating) feel more psychologically safe than women (**3.59** rating). In-office workers (**3.11** rating) experience it the least when compared to hybrid workers (**3.92** rating) and remote workers (**3.66** rating)

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Executive Summary

- According to employers, workplace biases (**4.30** rating), workplace misconduct (**4.03** rating), and frequent/abrupt absenteeism (**3.82** rating) are the biggest red-flags that indicate a psychologically unsafe workplace.

- Both employees (**74%**) and employers (**68%**) believe that open communication promotes psychological safety along with policies addressing biases and discrimination (**65%** employees and **75%** employers) and operational transparency (**73%** of employers).

- According to employees, rightful credit at work (**4.12** rating), communication in the organisation (**4.07** -verbal and **3.74** -non-verbal), and relationships (**3.88** rating) majorly impact psychological safety.

- Employees rate leaders highly on their problem-solving ability (**4.03** rating), demonstration of empathy and support (**4.01** rating), and responsibility and accountability (**3.96** rating) at work while they don't fare as well in listening skills (**3.04** rating).

- Fear of failure (**77%** of employee responses), burnout (**71%** of responses), and stress and anxiety (**51%** of responses) impact the mental health of employees.

- Employees tend to avoid talking about mental health concerns (**3.64** rating) and biases (**3.38** rating) experienced as the stigma still lingers.

- Organisational priorities for the next year include the implementation of feedback mechanisms (**59%** of employer responses) and non-discrimination policies (**47%** of employers responses).

> *Mental well-being is the outcome of many things in an organization and psychological safety plays an important role in it.*

Ms. Mansee Vashist

What is psychological safety?

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As coined by the pioneer of this term, Prof. Amy Edmondson, team psychological safety by definition is a shared belief held by members of a team that it's okay to take risks, express their ideas and concerns, speak up with questions, and to admit mistakes — all without fear of negative consequences.

Psychological safety at work doesn't mean that everybody is nice to each other all the time. It means that people feel free to voice out their thoughts and openly challenge the status quo, share feedback, and work through disagreements together. When psychological safety in the workplace is present, people feel comfortable bringing their full, authentic selves to work. Organisations with psychologically safe work environments enable employees to freely ask bold questions, share concerns, ask for help, and take calculated risks.

Psychological safety means an absence of interpersonal fear. The belief that one would not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes.

Prof. Amy Edmondson
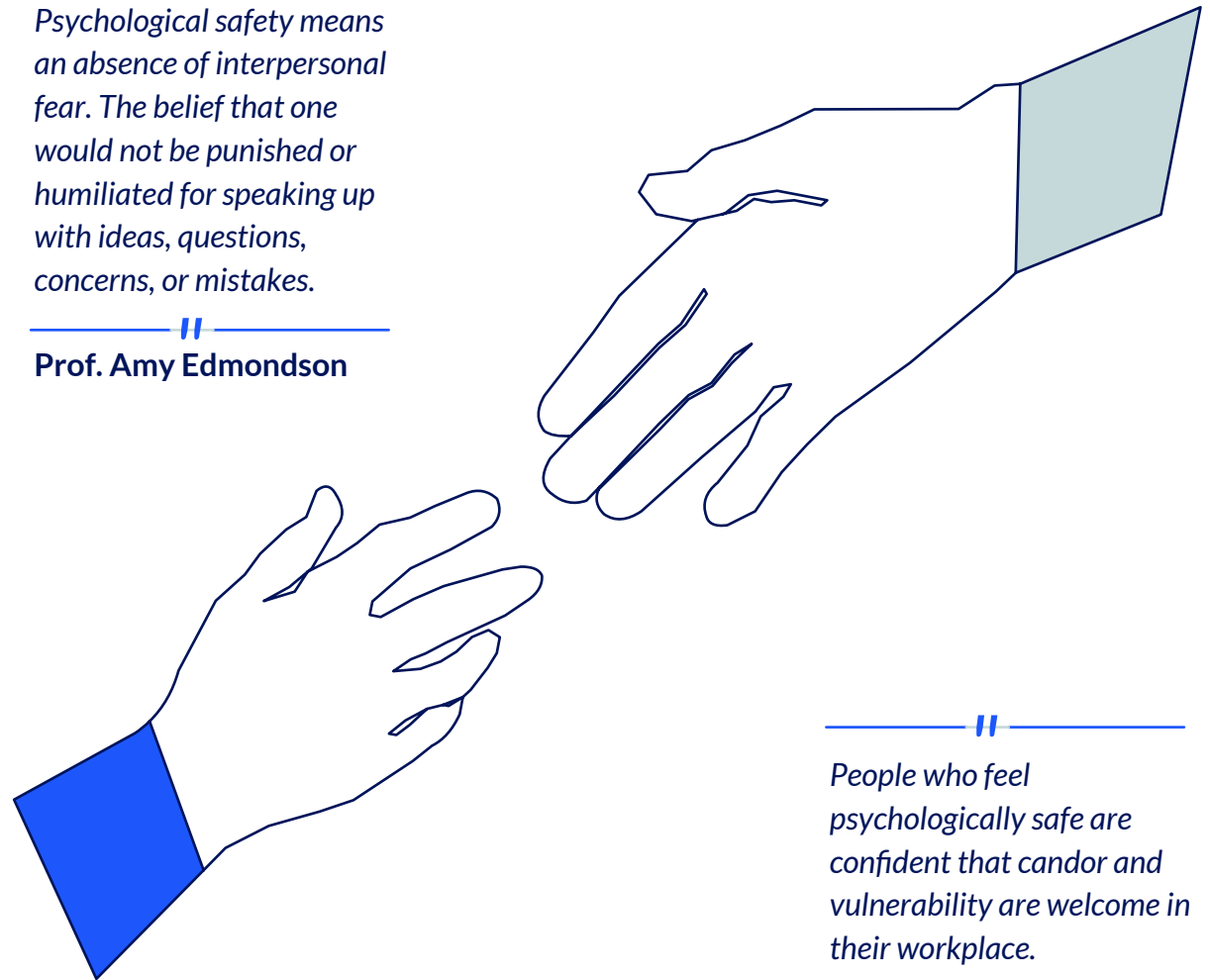
People who feel psychologically safe are confident that candor and vulnerability are welcome in their workplace.

Prof. Amy Edmondson

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> **"**
> *Psychological Safety is an inevitable attribute to succeed, to thrive, and it's just a matter of time before this becomes a norm in business.*
> **"**
>
> **Ms. Mansee Vashist**

Psychological safety: an imperative

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Why is psychological safety important?

An increasingly unpredictable market means that organisations need more creativity and innovation than ever before. Such creativity and innovation comes from the company's biggest asset, the people. But that's possible only when employees are free to experiment, take risks, and ask questions. To foster this psychological safety is imperative.

Firstly, psychological safety leads to team members feeling more engaged and motivated, because they feel that their contributions matter and that they're able to speak up without the fear of retribution. Secondly, to the benefit of the organisations it results in better decision-making, as free expression often leads to a more diverse range of perspectives being heard and considered. Third, it can foster a culture of continuous learning, if mistakes are not penalised and rather treated as an opportunity to learn.

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How aware are organisations and employees?

Awareness levels

Employees

5%
4%
35%
56%

Employers

20%
24%
57%

● Very aware   ● Partially aware   ● Poor awareness   ● Completely unaware
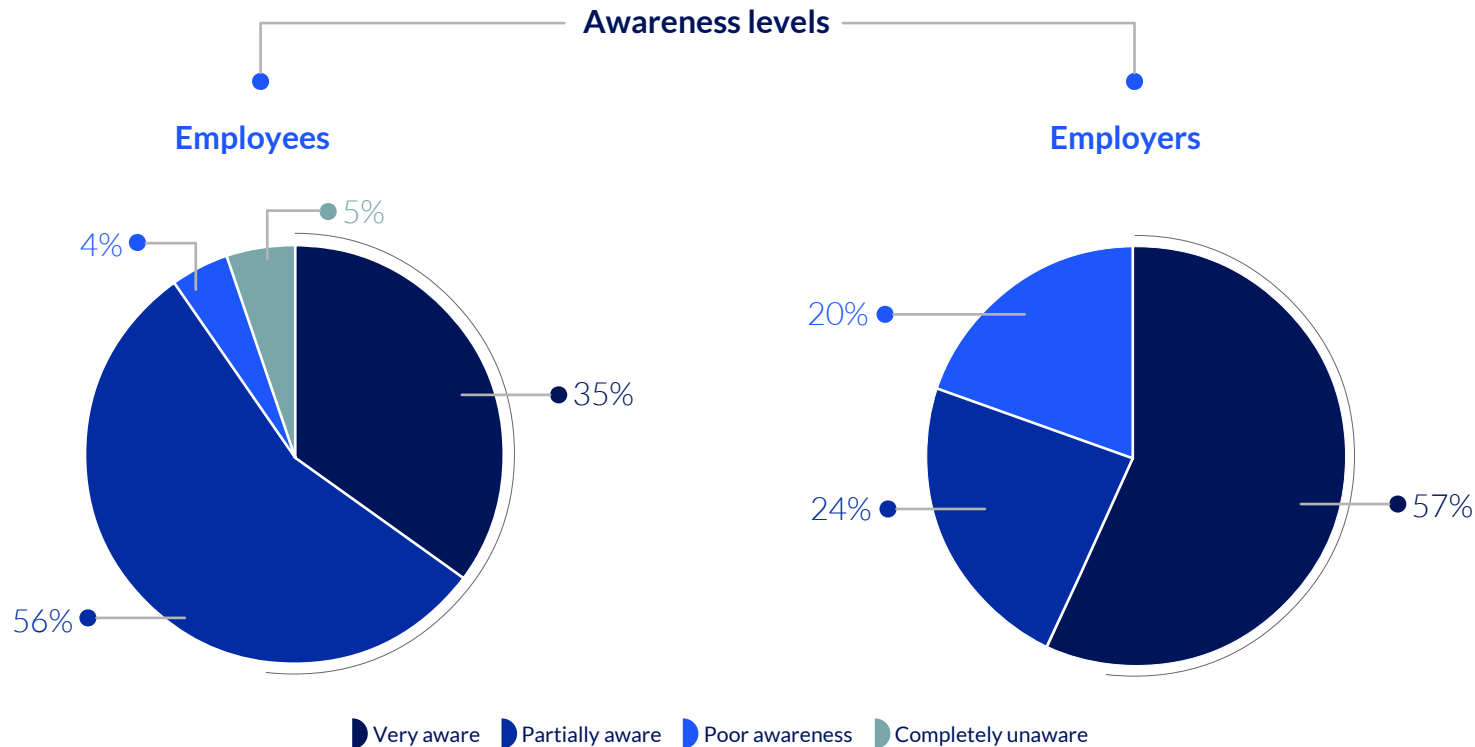
Awareness among employers, on the face of it, is higher among employees. Intuitively we come to an understanding that the higher-ups have a greater familiarity with this aspect than the ones working under them. **57%** of the employers are completely aware of psychological safety as opposed to **35%** of the employees. In line with this perception, we see that **56%** of the employees are partially aware, in comparison to **24%** of the employers, suggesting that the overall awareness is much higher among employers. However, poor awareness levels exist more among employers (**20%**) than employees (**4%**). This stark contrast indicates that awareness could still see some improvement among employers, and this aspect could be considered bringing into people's knowledge as a need for it exists.

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Do people and organisations concur?

Employee opinion on psychological safety's importance

- 2%
- 4%
- 94%

Legend: ◗ Yes ◗ No ◗ Can't say
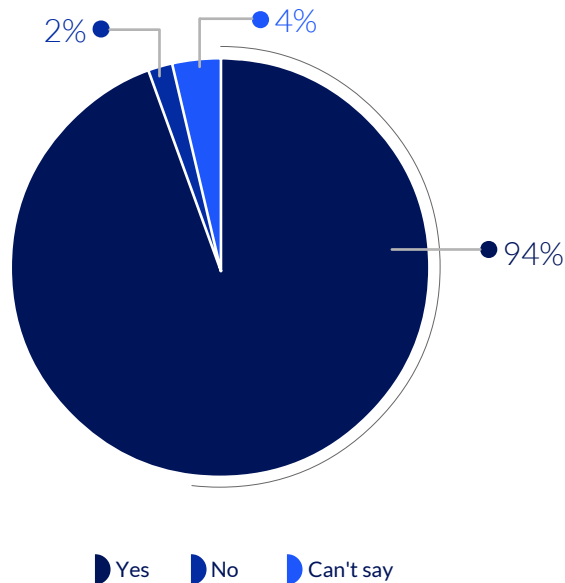
Organisational prioritization on psychological safety

- 6%
- 15%
- 36%
- 43%

Legend: ◗ It is high priority ◗ It is a priority, but not 'high
◗ It is not really a priority ◗ Don't know/Can't say
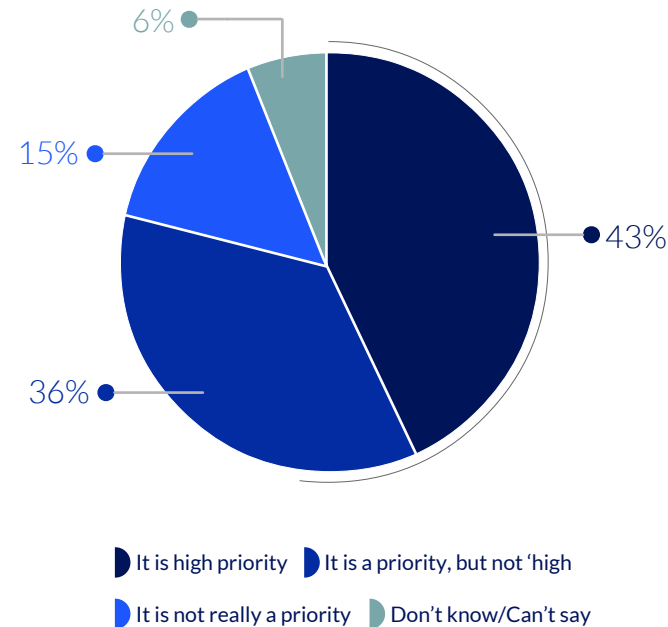
It is extremely crucial for organisations to recognize the importance of psychological safety and bring it into functioning. But are organisations consciously making efforts to make this a part of their strategy?

An overwhelming majority of employees confirm the importance of psychological safety in the workplace. **94%** of them believe it to be imperative at work. On the bright side, we see that organisations have backed this opinion among employees and catered to it, to some degree at least as **43%** of employers are highly prioritizing it. Meanwhile, **36%** have been prioritizing it but not highly. On the contrary, only **15%** of employers are not prioritizing it.

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Younger workforce at entry and mid-level roles recognize the importance of psychological safety more

Employee opinion on psychological safety's importance

Age Groups

Less than 25 years
- 4%
- 4%
- 93%

26 -35 years
- 1%
- 3%
- 96%

36-45 years
- 2%
- 2%
- 96%

46 years or more
- 4%
- 10%
- 86%

Organisation Size

Small
- 0%
- 2%
- 98%

Medium
- 4%
- 1%
- 95%

Large
- 0%
- 12%
- 88%

Hierarchy

Junior Level
- 2%
- 1%
- 97%

Mid Level
- 1%
- 2%
- 97%

Senior Level
- 19%
- 7%
- 75%
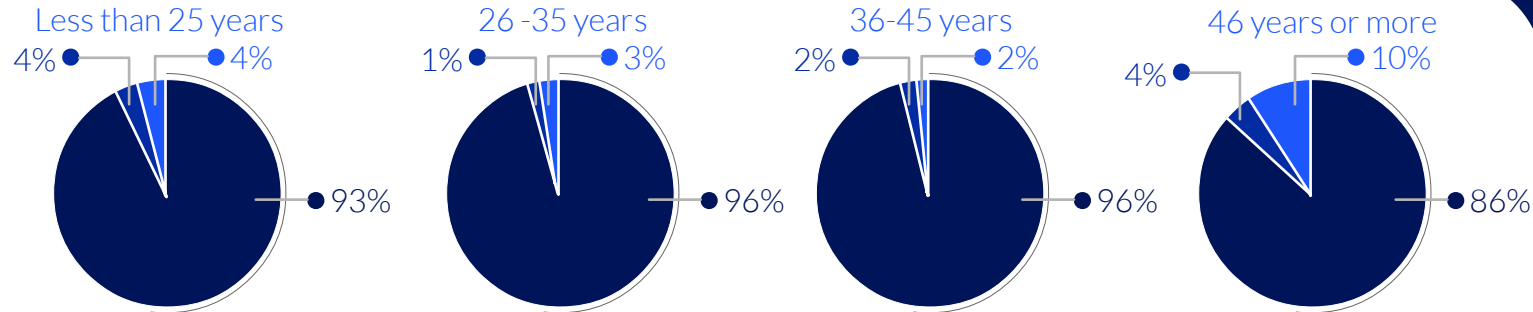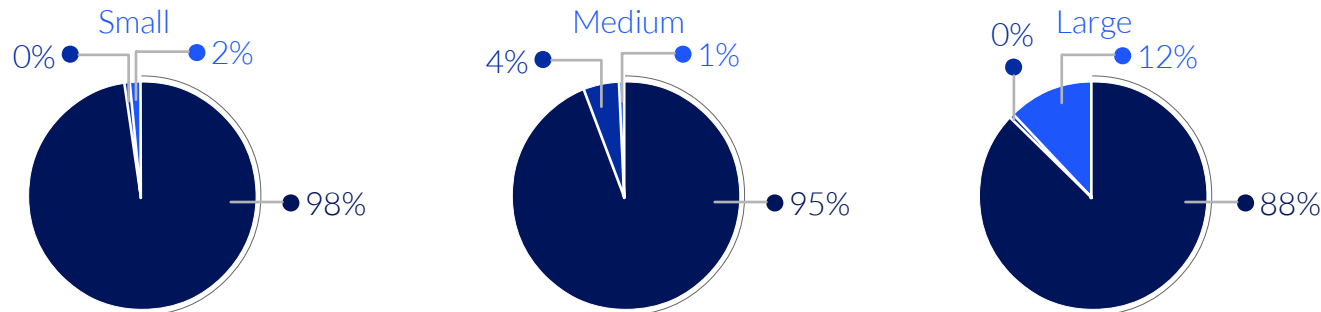
Legend: Yes — No — Can't say
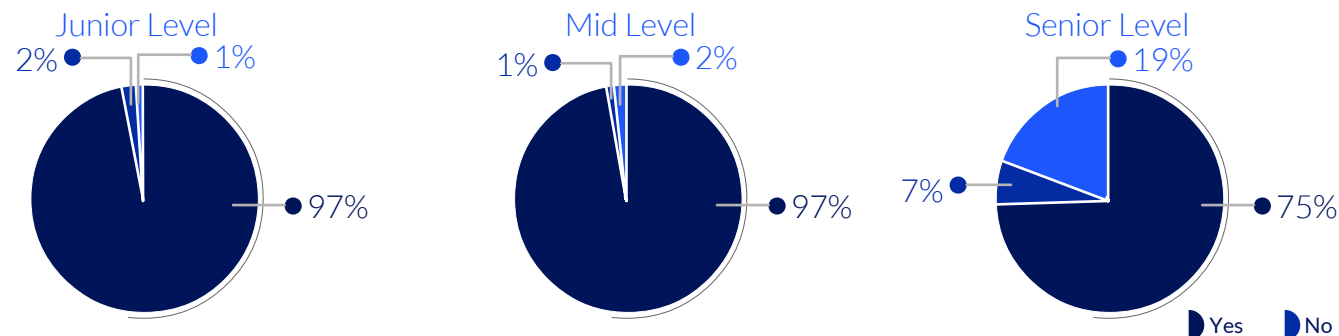
The general consensus among employees is that psychological safety is important in the workplace. However, this perception varies to some extent across demographics. **93%** of the employees below the age of 25, and **96%** of the employees between the ages of 26-45 recognize the importance of psychological safety. Whereas, this perception is not as common among those aged 46 or older (**86%**).

Across hierarchies, both junior and mid-level employees share the perception of psychological safety is important to a large extent (**97%**), but considerably fewer senior-level employees believe the same (**75%**).

Employees in smaller organisations (**98%**) recognize its importance the most, followed by medium (**95%**) and large organisation employees (**88%**).

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> *Am I allowing developmental conversations or am I, more often than not in a hurry, telling my people to do it my way or the highway?*

Mr. Balasubramaniam Iyer

Do employees feel psychologically safe at work?

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Most employees feel psychologically safe; however, there is still room for improvement

Level of psychological safety among employees

- 5%
- 9%
- 22%
- 44%
- 20%

Legend: 1, 2, 3, 4, 5
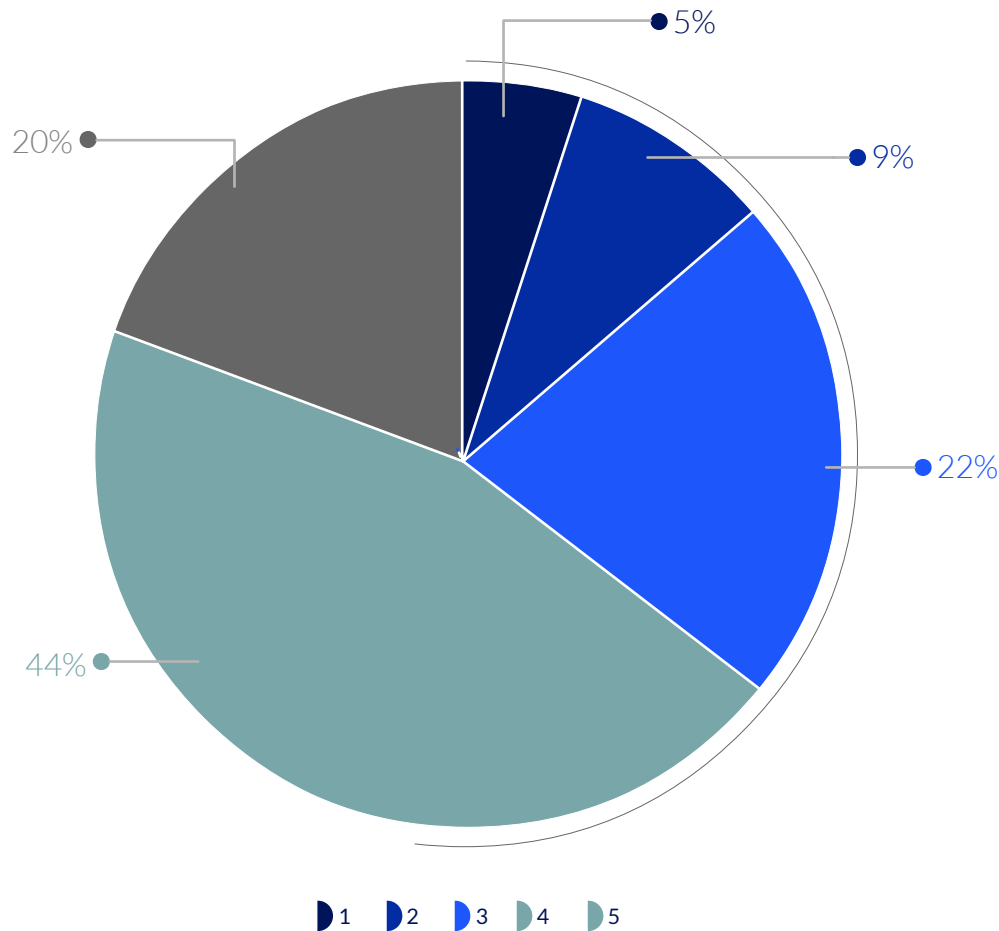
Rated on a scale of 5, where 1 stands for 'Extremely low' and 5 stands for 'Very high'

In a fast-changing environment, with the necessity for psychological safety at work now more than ever before, what fraction of employees actually feels psychologically safe?

86% of the employees feel moderately to highly psychologically safe. The Majority of employees, **64%** feel highly psychologically safe at their workplace, out of which **20%** claim they experience a 'very high' level of psychological safety. On the other hand, **22%** of employees experience moderate levels of psychological safety, and only **14%** have poor levels of psychological safety at work. Although, most employees feel highly psychologically safe, a considerable proportion doesn't carry the same perception, and the need to enable/improve their psychological safety is apparent.

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Male employees feel more psychologically safe than women. In-office workers experience it the least

Gender

Female 3.59

Male 3.71

0.00   1.00   2.00   3.00   4.00   5.00

Work Mode

In-Office 3.11

Hybrid 3.92

Remote 3.66

0.00   1.00   2.00   3.00   4.00   5.00
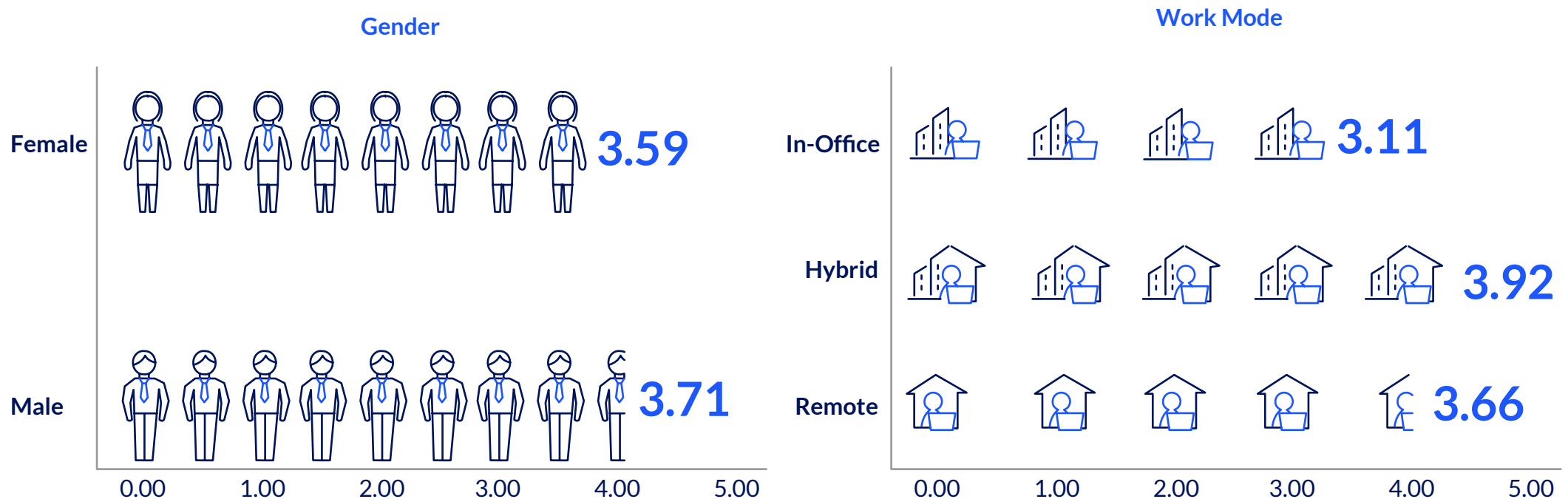
Average rating on a scale of 1 to 5, where 1 stands for 'Extremely low' and 5 stands for 'Very high'

Employees experiencing higher levels of psychological safety are seen to be slightly more in men than women employees. On being asked to rate their psychological safety, on a scale of 1 to 5, where '1' stood for 'extremely low' and '5' stood for 'very high', male employees (**3.71**) saw a slightly higher rating on an average as compared to female employees (**3.59**).

As far as work mode is concerned, we see that the psychological safety levels are highest among those working in a hybrid setup (**3.92**), followed by remote work (**3.66**), and in-office work mode (**3.11**) were seen to be the least.

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What makes a psychologically safe workplace? Free expression, risk taking, and recognition cited as prerequisites

We shall see what constitutes a psychologically safe workplace in an organisation and the aspects that enable it. On a scale of **1 to 5**, employees were asked to rate the likelihood of experiencing situations that would allow them to feel psychologically safe. According to them the biggest prerequisite for having a psychologically safe workplace comes down to having their work efforts not being undermined (Rated **4.04**), being comfortable to ask for help follows next (Rated **3.75**), and having their unique skills and talents utilized and appreciated (Rated **3.71**). In a work environment, psychological safety also means that risk-taking is enabled (Rated **3.55**).

Among employees who experience high levels of psychological safety, the biggest prerequisite appears to be having their skills utilized and praised by the team (Rated **4.35**).

Likelihood of employees experiencing the following

Psychological safety contributors	Average Rating
My expectations at work are clearly defined	3.06
We value the end result more than the process and the recognition is shared	2.96
I am allowed to make mistakes in this team without being penalized for it	3.24
When something goes wrong, we work as a team to find the cause and fix it	2.89
All members of the team are able to bring up problems and issues	2.48
In the team, members are never left out for being different	3.27
I feel comfortable and safe taking risks in the team	3.55
I feel comfortable asking for help in the team	3.75
Nobody in the team intentionally acts in a way that undermines myefforts	4.04
My unique skills and talents are used and praised by the team	3.71

Average rating on a scale of 1 to 5, where 1 stands for 'Highly unlikely' and 5 stands for 'Most likely'

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> *People would want to take risks, and contribute and bring new ideas to the table. The more the psychological safety the more is the sense of belonging.*
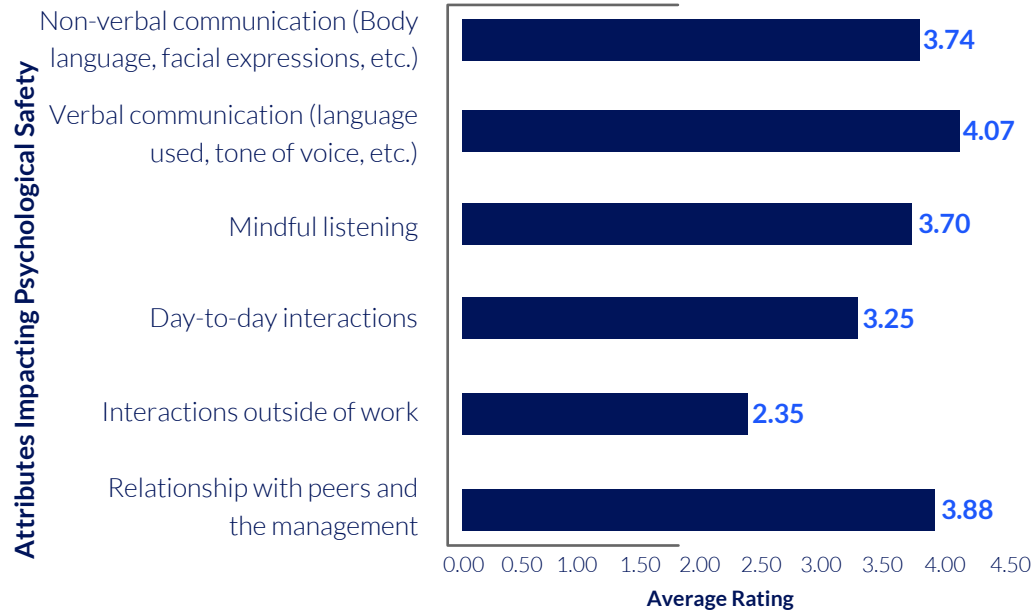
Ms. Mansee Vashist

Factors linked with psychological safety

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Acknowledgement of work and communication has a great impact on psychological safety

Attributes Having An Impact On Psychological Safety

Attributes Impacting Psychological Safety

Attribute	Average Rating
Non-verbal communication (Body language, facial expressions, etc.)	3.74
Verbal communication (language used, tone of voice, etc.)	4.07
Mindful listening	3.70
Day-to-day interactions	3.25
Interactions outside of work	2.35
Relationship with peers and the management	3.88

Average Rating

Attributes Impacting Psychological Safety

Attribute	Average Rating
Work-load	3.55
Group-contribution	3.01
Rightful credit for work	4.12
Working conditions	3.66
Guidance/assistance from colleagues	3.50

Average Rating

Average rating on a scale of 1 to 5, where 1 stands for 'No Impact at all' and 5 stands for 'Significant Impact'

Being credited rightfully for the work carried out goes a long way in making employees psychologically safe. Employees, when asked to rate on a scale of 1 to 5, where '1' stands for 'No impact at all' and '5' stands for 'Significant impact', an average rating of **4.12**, was witnessed for this particular attribute. Following this, the second biggest attribute appeared to be verbal communication (Rated **4.07** on a scale of 5). The third biggest attribute was seen to be employees and their relationship with colleagues and management (Rated **3.88** on a scale of 5).

In addition to verbal communication, there are subtle aspects that do not involve a verbal exchange, such as language, facial expressions etc. Employees have cited this too to be linked with their psychological safety (Rated **3.74** on a scale of 5).

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Open communication and a bias-free environment improve psychological safety and so does leadership too

What promotes psychological safety?

	Employees' opinion		Employers' opinion
Operational transparency	51%		73%
Open communication	74%		68%
Attitude of colleagues (e.g. empathetic, understanding, etc.)	48%		66%
Policies on biases and discrimination	65%		75%
Policies on training and development programs	22%		50%
Feedback and constructive criticism	41%		64%
Policies on diversity, equity, and inclusivity	21%		57%

Employees' opinion

Employers' opinion

When we talk about the promoters of psychological safety, in addition to the importance of open communication openly (**74%** of employee responses and **68%** of employer responses) as witnessed earlier, having a bias-free environment also helps promote psychological safety, in the opinion of both employees as well as employers (**65%** of employee responses and **75%** of employer responses). In general, more so than policies and feedback mechanisms, both employees and employers attribute efforts from peers, leaders etc. as greater promoters of psychological safety.

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

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Importance of communication in psychological safety

In a psychologically safe team, everyone communicates with mutual respect and understanding without the fear of any negative consequence. This culture allows openness. It also promotes learning and trust among people working together.

Open communication gives rise to stronger interpersonal relationships among colleagues, or, for that matter, anyone involved at work. Employees feel safe enough to engage with each other. This is a powerful way to break barriers and ensure that employees are more productive. Organisations would then be able to leverage their talent to the fullest potential.

It is vital to note that not just verbal, but non-verbal communication, is also as important, if not more. 93% of communication occurs through body language: Eye contact, smiles, the distance between people talking – it all matters in a dialogue. Looking for non-verbal cues will help you understand if what people say is consistent with what they feel.

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> *Mental wellness and psychological safety are interrelated. Mental wellness is a byproduct of psychological safety.*
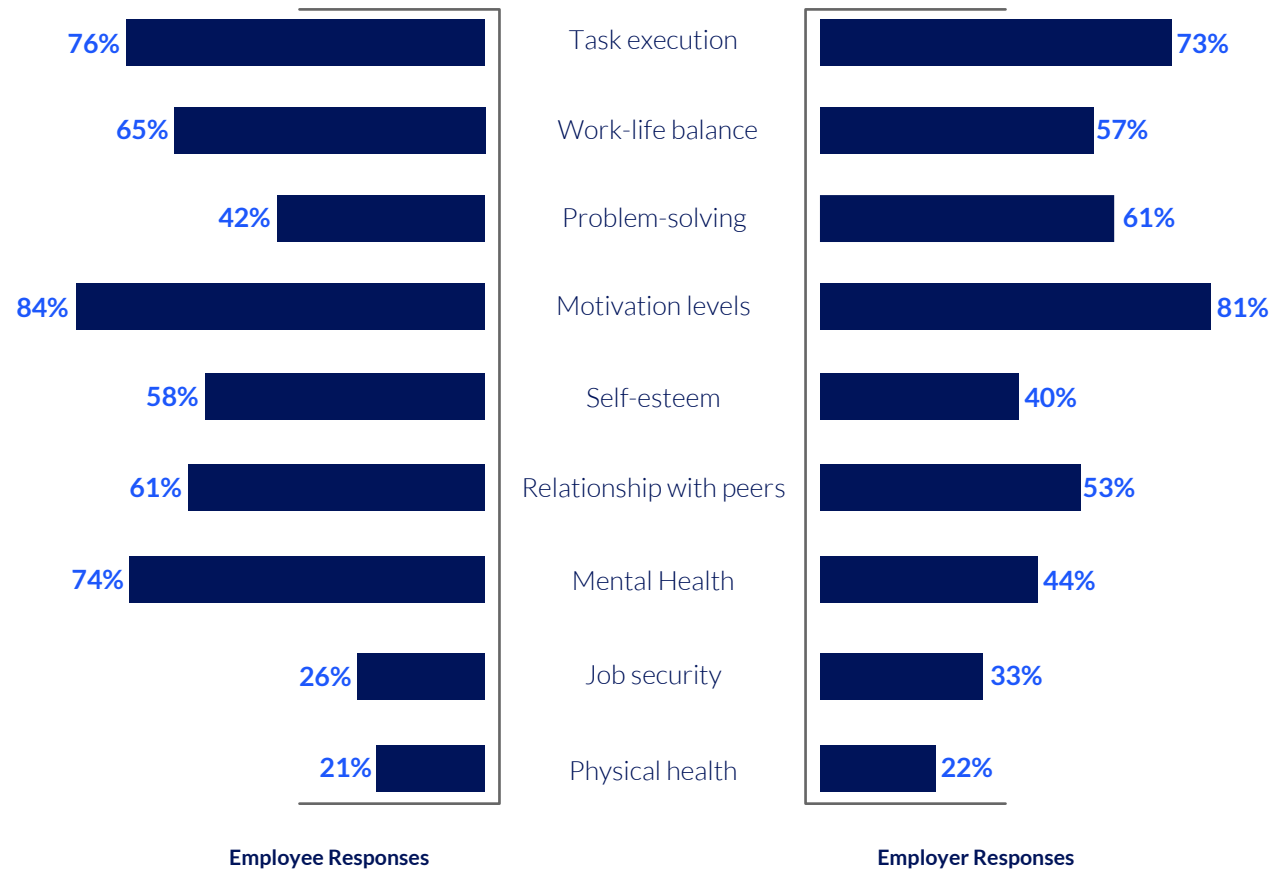>
> **Ms. Mansee Vashist**

Lack of psychological safety and the threat it poses to mental health

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Poor psychological safety translates to poor mental health

It appears that poor psychological safety results in lower motivation levels dropping among both employees (**84%**) and employers (**81%**). **81%** of the employee responses also confirm that a psychologically unsafe workplace causes fear of consequences. Work-related duties such as task execution are also gravely impacted, according to employees (**76%**) and employers (**73%**). Most importantly, poor mental health is a consequence of poor psychological safety as suggested by **74%** of the employee responses, however, the same degree of perception is not seen among employers (**44%** of responses).

Poor work-life balance (**65%** of employee responses and **57%** of employer responses) and relationship with peers (**61%** of employee responses and **53%** of employer responses) also get affected due to a psychologically unsafe environment.

Impact of psychologically unsafe workplaces

	Employee Responses		Employer Responses
Task execution	76%		73%
Work-life balance	65%		57%
Problem-solving	42%		61%
Motivation levels	84%		81%
Self-esteem	58%		40%
Relationship with peers	61%		53%
Mental Health	74%		44%
Job security	26%		33%
Physical health	21%		22%

Employee Responses

Employer Responses

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

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How would it impact the bottom line? Higher psychological safety drives innovation and helps retain and attract talent

Impact of psychological safety on the bottom line

Average rating on a scale of 1 to 5, where 1 stands for 'Decreased significantly', and 5 stands for 'Increased significantly'

Today, faring well with business metrics and keeping just financial profitability in mind is not enough. Ensuring employee psychological safety and mental wellness would also lead to better output from individuals and allow organisations to get the best out of their employees.

How exactly does it impact employees and organisations? Employers were asked to rate these impacts on a scale of 1 to 5, where '1' stands for 'No impact at all' and '5' stands for 'Significant impact'. We see that psychological safety has the biggest impact on the innovation (rated **4.08**) of an organisation. Interestingly these ratings also suggest the impact on talent retention (rated **3.88**). Not only will it help retain existing employees, but it can also help attract new talent (rated **3.94**). Risk-taking too according to employers has a high impact due to psychological safety (rated **3.89**).

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Workplace bias and misconduct the biggest red-flags organisations must be wary of

Red flags for psychological safety at work

Average rating on a scale of 1 to 5, where 1 stands for 'Highly disagree' and 5 stands for 'Highly agree'
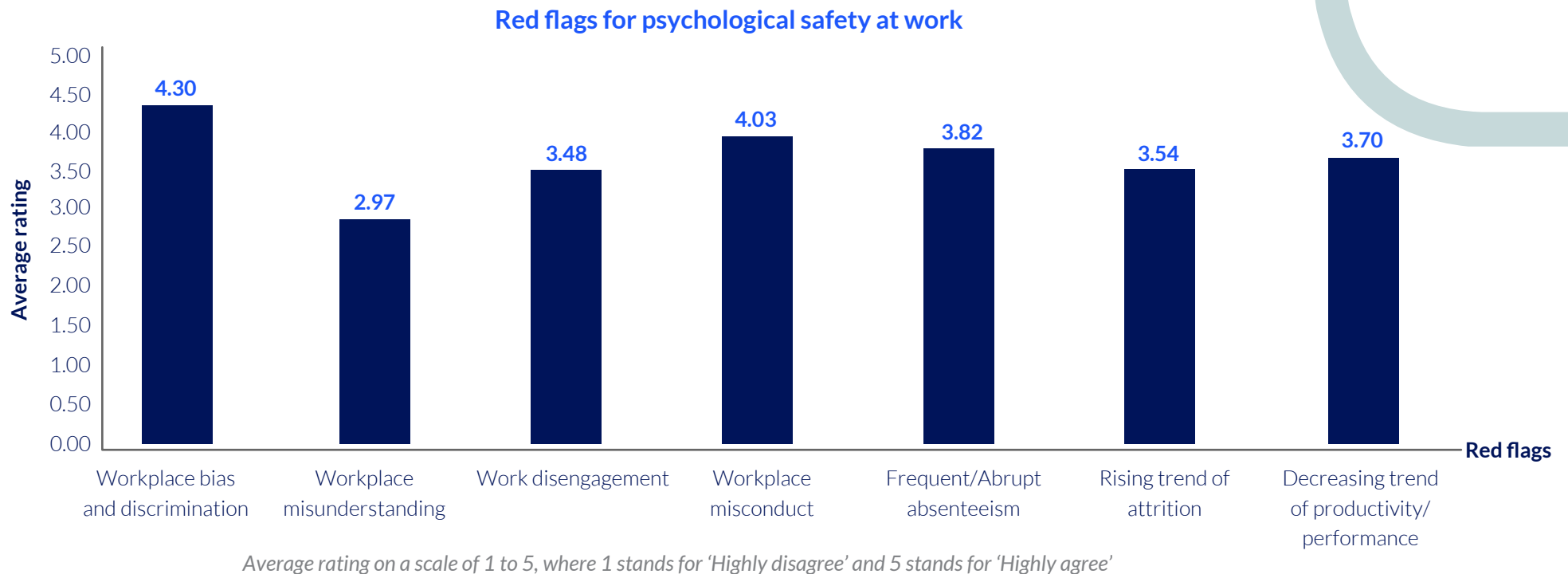
We shall look at some of the factors organisations could use to identify if their workplace is devoid of psychological safety or not.

The major red-flag that could negatively affect psychological safety at work, according to employers, is workplace bias (rated **4.30** on a scale of 5). Behavioural reasons are also cited by employers to be detrimental to employee psychological safety (rated **4.03** on a scale of 5). Such an environment where employees don't feel comfortable being their true selves could also lead to frequent and abrupt absenteeism (rated **3.82** on a scale of 5). This could arise from poor mental health, high workloads, poor work-life balance, relationships at work etc.

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> *Sri Dhirubhai Ambani would sometimes deliberately forget his wallet and let his employees pay the chaiwallah. This would not just make those employees proud but also leave them with a tale to tell. An example of a leader putting vulnerability on display.*

Mr. Balasubramaniam Iyer

Role of leadership in psychological safety

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Psychological safety onus on leadership majorly on higher-ups

Onus of psychological safety

- HR department
- Top Leadership
- Reporting Managers
- Individuals
- None

2%
6%
14%
43%
35%
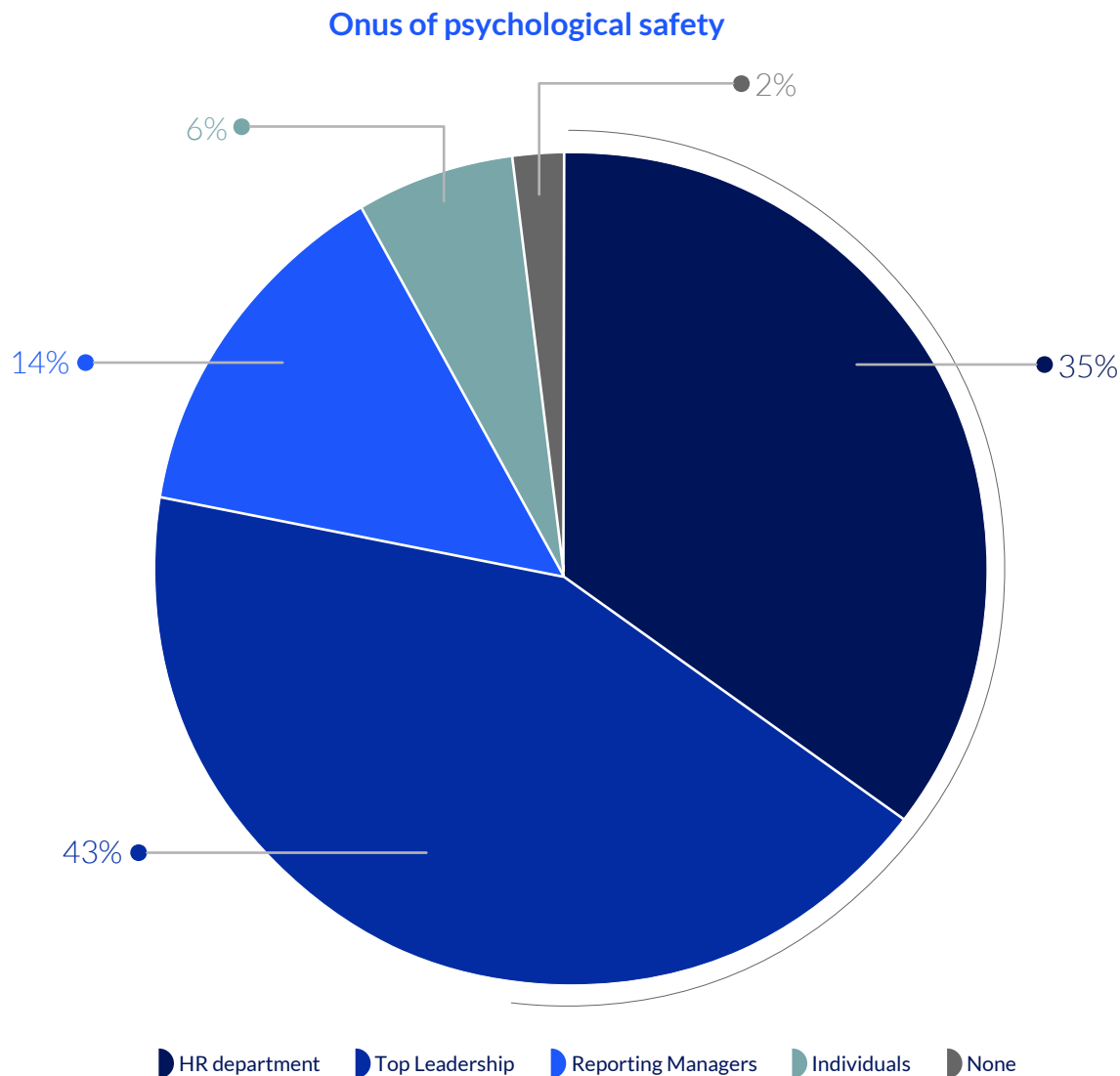
Quality of leadership is something which greatly promotes psychological safety according to employers (**71%** responses). The role of leadership in the psychological safety, of a workplace is apparent. But which of these leaders specifically carry it the most?

Top leadership has the majority onus on psychological safety, according to **43%** of the employees. These top leaders include C-levels and executives. They are the ones who sit at the top of the hierarchical ladder. Interestingly, only **14%** of the employees believe that the majority of the onus lies on reporting managers, despite them being the ones who are in close and frequent interaction with most employees as opposed to top leaders. **35%** on the other hand believe the onus lies on the HR department. This shows us that employees believe there's more to psychological safety than what meets the eye. They stand firm in the belief that it trickles from the top.

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Employees feeling psychologically unsafe accord the onus on HRs to promote psychological safety

Onus perception across psychological safety experience
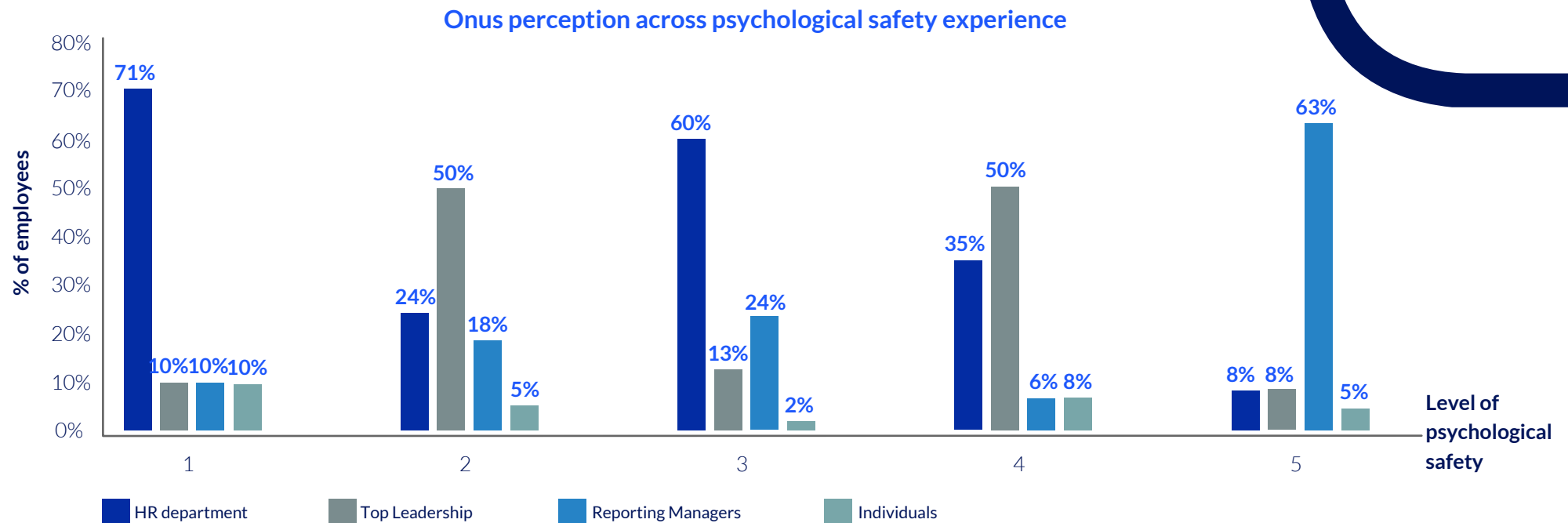
71% of the employees who feel extremely psychologically unsafe put the onus on HRs to promote psychological safety. Whereas, the individuals who feel highly psychologically safe put the onus on reporting managers instead. This perception could suggest that ones feeling psychologically unsafe reach out to HRs with their concerns, but do not find them satisfactorily addressed. Reporting managers too have the onus, since they happen to be the leaders employees interact with the most on a day-to-day basis. Top leadership is believed to carry the onus according to those having slightly low and fairly high levels of psychological safety (**50%** of the employees).

Regardless of to what extent one feels psychologically safe, individuals are believed to carry the least onus in promoting psychological safety.

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Leaders rated highly on problem solving, demonstration of empathy, and support at work while not as good on listening and communication

Employees when asked to rate their leaders on certain aspects, on a scale of 1 to 5, where '1' stands for 'Poor' and '5' stands for 'Excellent', rated their leaders fairly well on aspects – problem-solving ability (Rated **4.03** on average), empathy and supportive nature (rated **4.01** on average), interaction outside of work (rated **3.98** on average), and responsibility and accountability (rated **3.96** on average). However, on the flip side, they fared not quite good on mindful listening (rated **3.04** on average), and transparent communication at work (rated **3.27**). With the dire need for effective and open communication, in general, to bring about psychological safety, it becomes more so important for leaders to improve on it.

Employees' rating on leadership aspects
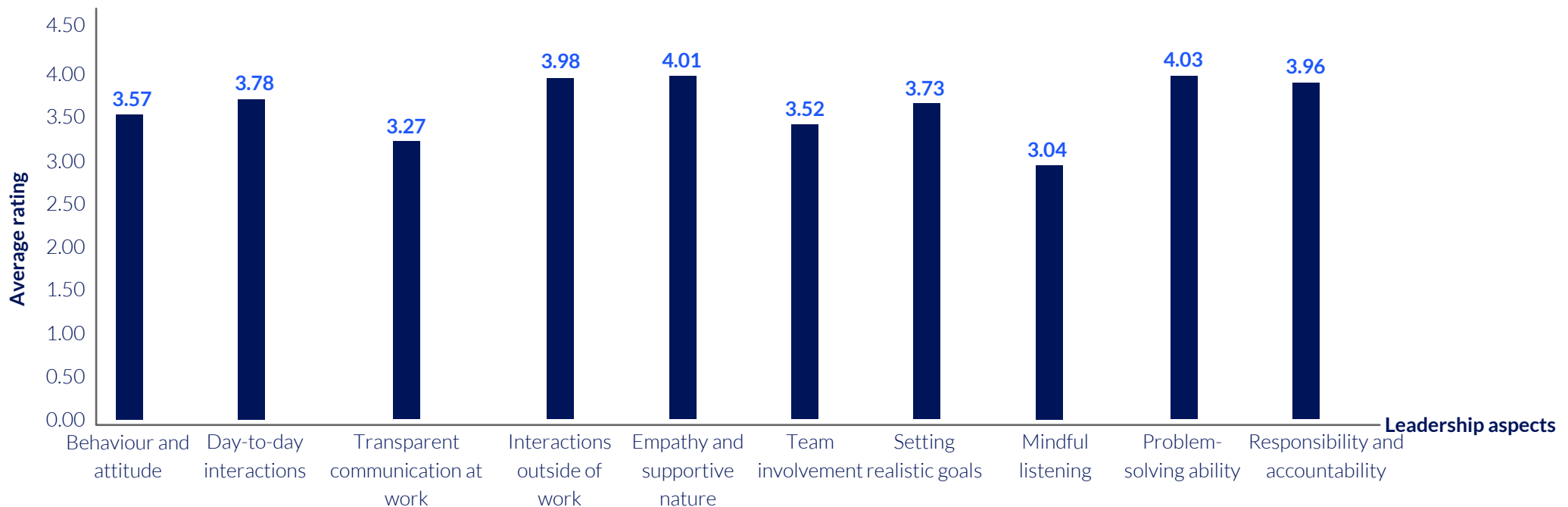
Average rating on a scale of 1 to 5, where 1 stands for 'Poor' and 5 stands for 'Excellent'

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Leaders working in-office in large organisations could do better in team involvement and setting realistic goals
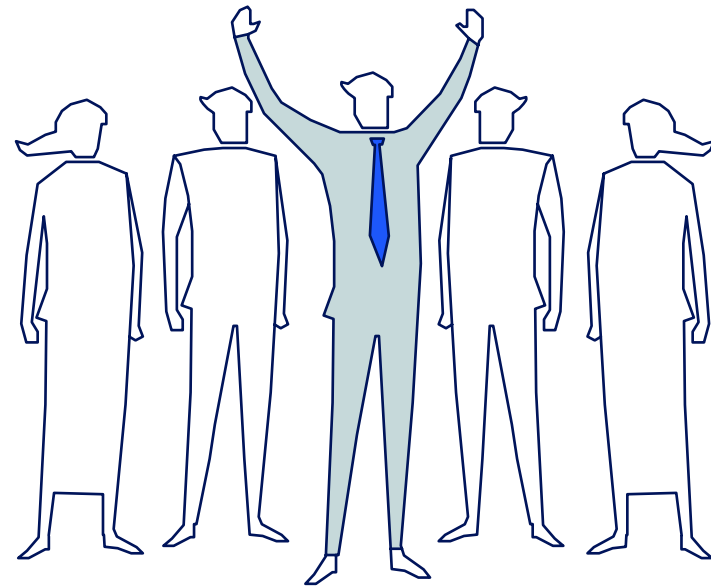
Leaders in large organisations weren't rated as well by employees, across most psychological safety-related aspects in comparison to small and medium-sized organisations and, particularly in team involvement (Rated **2.98**, on a scale of 1 to 5, where 1 stands for "Poor" and 5 stands for "Excellent"), and in setting realistic goals (Rated **3.26**). Similar perception of leaders working in-office was also witnessed, across team involvement (Rated **3.15**) and setting realistic goals (Rated **3.40**). The general sentiment appeared to be that small and medium-sized organisations, and organisations with remote and hybrid work modes had better attributes among leaders, which promoted psychological safety.

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Rating of psychological safety aspects- Across organisation size

Average rating on a scale of 1 to 5, where 1 stands for 'Poor' and 5 stands for 'Excellent'

Legend:
- Small (less than 100 employees)
- Medium (100 to 1000 employees)
- Large (greater than 1000 employees)

Psychological safety aspects	Small	Medium	Large
Behaviour and attitude	3.54	3.60	3.42
Day-to-day interactions	3.70	3.85	3.73
Transparent communication at work	3.15	3.42	3.08
Interactions outside of work	4.08	4.01	3.73
Empathy and supportive nature	4.05	4.09	3.79
Team involvement	3.55	3.72	2.98
Setting realistic goals	3.78	3.89	3.26
Mindful listening	3.10	3.00	3.04
Problem-solving ability	4.07	4.14	3.74
Responsibility and accountability	3.97	4.07	3.67

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Rating of psychological safety aspects - Across work mode

Average rating on a scale of 1 to 5, where 1 stands for 'Poor' and 5 stands for 'Excellent'

Legend: Remote, Hybrid, In-Office

Aspect	Remote	Hybrid	In-Office
Behaviour and attitude	3.64	3.58	3.48
Day-to-day interactions	3.66	3.88	3.73
Transparent communication at work	3.17	3.40	3.12
Interactions outside of work	4.10	3.98	3.82
Empathy and supportive nature	4.07	4.05	3.87
Team involvement	3.55	3.68	3.15
Setting realistic goals	3.81	3.83	3.40
Mindful listening	3.12	2.99	3.04
Problem-solving ability	4.05	4.13	3.83
Responsibility and accountability	3.99	4.03	3.76

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What makes an ideal leader?

Some aspects and traits that leaders possess are inherent and there's little they can do about it to change them. That being said, there are qualities that leaders can look to improve on and these can bring about a change in themselves, as well as nurture a positive surrounding around them that contributes to psychological safety. **77%** of the employee responses suggest that the emotional intelligence of a leader contributes to a psychologically safe environment. Following this, **72%** of the employee responses indicate leaders must take accountability for their decisions and actions. Effective and transparent communication is also seemingly important (**44%** of employee responses), along with modelling healthy interpersonal behaviours (**42%** of employee responses).

What aspects of leaders make organisations psychologically safe?

Leadership aspects	% of employee responses
Emotional intelligence	77%
Accountability of decisions and actions	72%
Effective and transparent communication	44%
Humility and vulnerability	38%
Modeling of healthy interpersonal behaviours	42%
Offering flexibility and not micro-managing	35%
Motivating nature	41%
Setting realistic expectations and commitments	22%
Supportiveness and thoughtfulness	33%
Inclusive leadership	27%
Authoritativeness	9%

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

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Leadership training on behaviour and communication a prerequisite for employee psychological safety and mental wellness

We've looked at what makes an ideal leader, and the importance of communication and behaviour among leaders is apparent. Earlier, we witnessed that employees weren't particularly very satisfied with their leaders in these aspects as per their ratings on the same, hinting that there could still be room for improvement. **61%** of the responses indicate that employees want their leaders to be trained in effective communication and the same proportion also want behaviour and attitude training to be provided to their leaders. Earlier we had seen that employees would like formal policies in their organisation to counter biases and discrimination, and it's interesting to see that leaders play a large part in their sentiment. It appears that employees are subjected to unconscious bias by their leaders, and would like them to be trained on the same (**56%** of the employee responses).

What should leaders be trained on?

% of employee responses

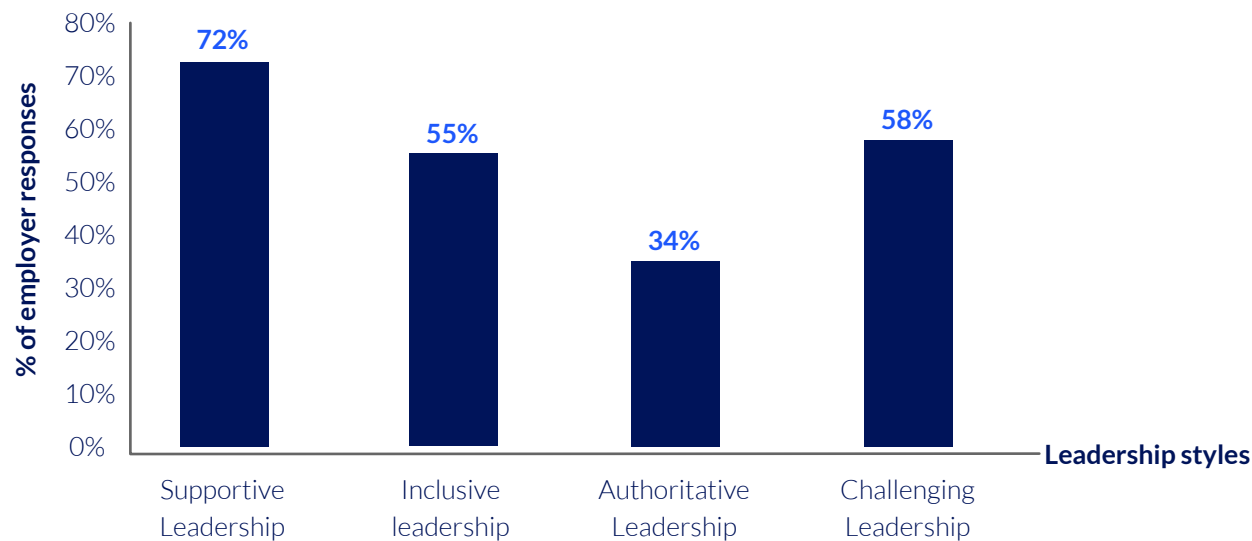| Leadership aspect	%
Managing conflict	31%
Effective communication	61%
Decision-making	19%
Leadership behaviour and attitude	61%
Project planning and delegation	14%
Building trust and respect	39%
Unconscious bias	56%
Employee recognition	32%

Leadership aspects

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

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Supportive leaders could significantly improve psychological safety at workplace

Leadership Styles
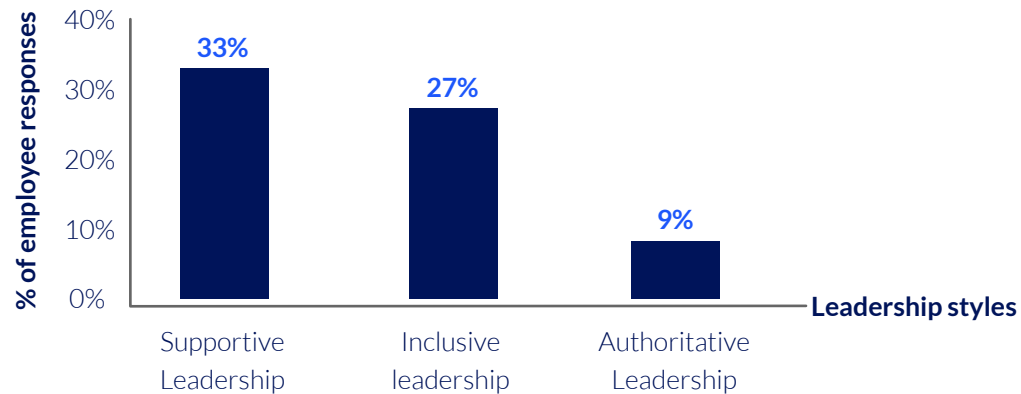
Leadership training impact on developing Leadership Styles

Leadership styles play a crucial role in fostering psychological safety, suggest sources. But we may wonder what specific styles are most suitable in bringing out this desired outcome, and on the contrary, also the ones that aren't. Supportiveness is the most desirable leadership quality, and hence **33%** of the employees are indicative of supportive leadership being the most effective leadership style. **27%** of the employees' responses also indicate inclusive leadership is almost as effective. But can leaders be trained to improve themselves in these aspects? Findings show that they can. According to **72%** of the employer responses, leaders have successfully undergone training and development to become more supportive. As per **58%** of the responses, they've become more motivated to push employees beyond their comfort zone, and as per **55%** of the responses, they've started to show more inclusivity.

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> *Employees must be able to speak out without the fear of being judged. It is applicable everywhere – at school, home and so, on the professional front.*
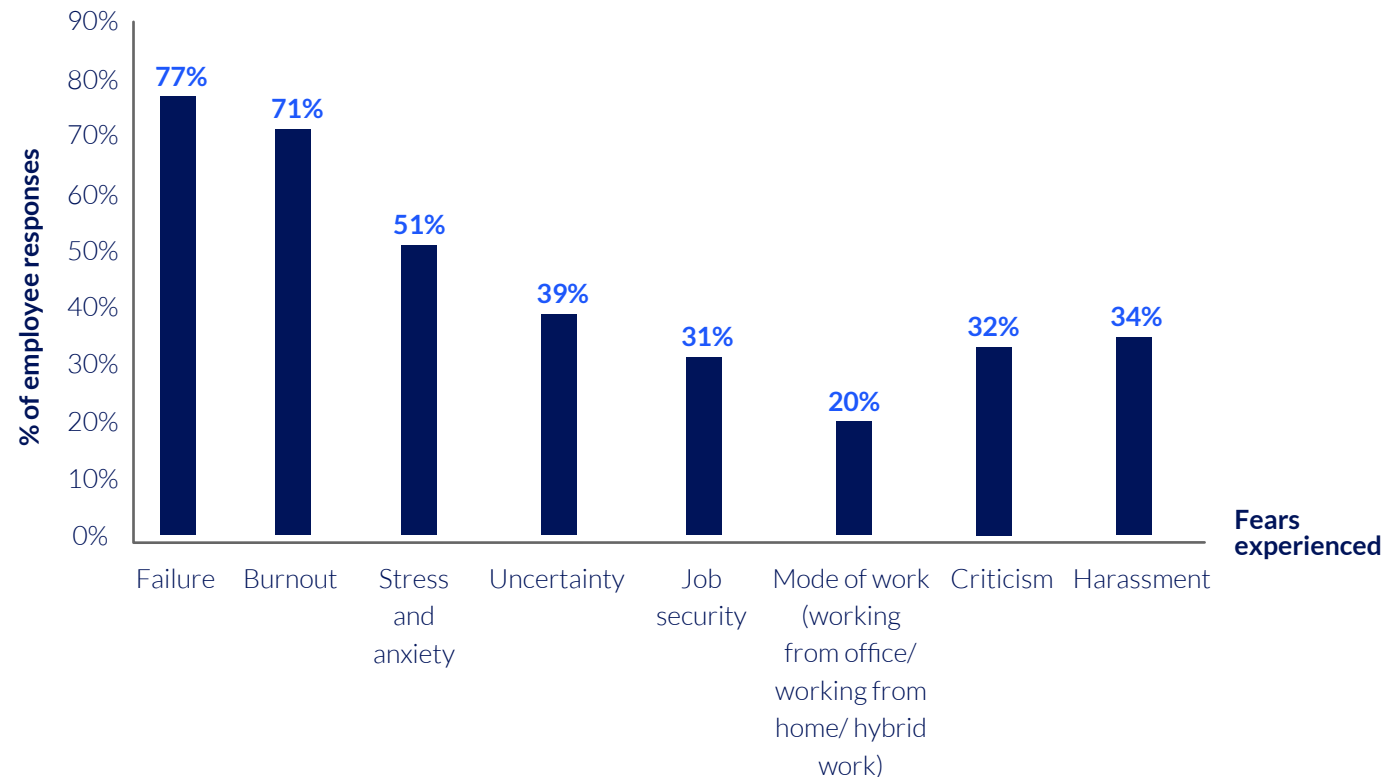
Ms. Mansee Vashist

Do employees have fear over their mental wellness at work?

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Employees fear failure as well as the possibility of being burnt out and stressed

Most employees claim that the biggest fear they have at work happens to be fear of failure, as suggested by **77%** of the responses. Additionally, they also fear burnout (**71%** of the responses) and stress and anxiety (**51%** of the responses); all the more reason to believe that the mental health of an employee is dependent on their psychological safety.

Sources show that only **26%** of workers during the pandemic felt psychologically safe during the pandemic and experienced higher levels of burnout, stress and greater feelings of loneliness. We can confirm that the psychological safety and mental health of employees, go hand in hand, as one cannot exist without the other.

Fears that have impacted mental wellness

% of employee responses (y-axis, 0% to 90%)

| Fear	%
Failure	77%
Burnout	71%
Stress and anxiety	51%
Uncertainty	39%
Job security	31%
Mode of work (working from office/ working from home/ hybrid work)	20%
Criticism	32%
Harassment	34%

Fears experienced (x-axis)

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

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Do employees avoid seeking help? Is discussing mental health still a taboo?

Although employees reach out to employers regarding their mental health concerns (**3.64** mean rating on a scale of 1 to 5, indicating the extent to which employees have reached out to employers), it's not up to the same degree as other concerns they reach out with such as the need for learning (rated **4.08**) and wage, hour and leaves issues (rated **3.91**). Leave concerns could also be linked with employee mental health since sources say that **62%** of missed workdays can be attributed to mental health conditions. Findings suggest that employees back away from reaching out to employers with biases experienced (rated **3.38**) and leadership behaviour (rated **2.43**) as well.

It is likely that fewer employees who experience mental health issues open up to employers regarding it, considering **80%** of the Indian workforce reported having mental health issues in the workplace. This suggests that the stigma related to it still exists.

Concerns employees have reached out to employers with
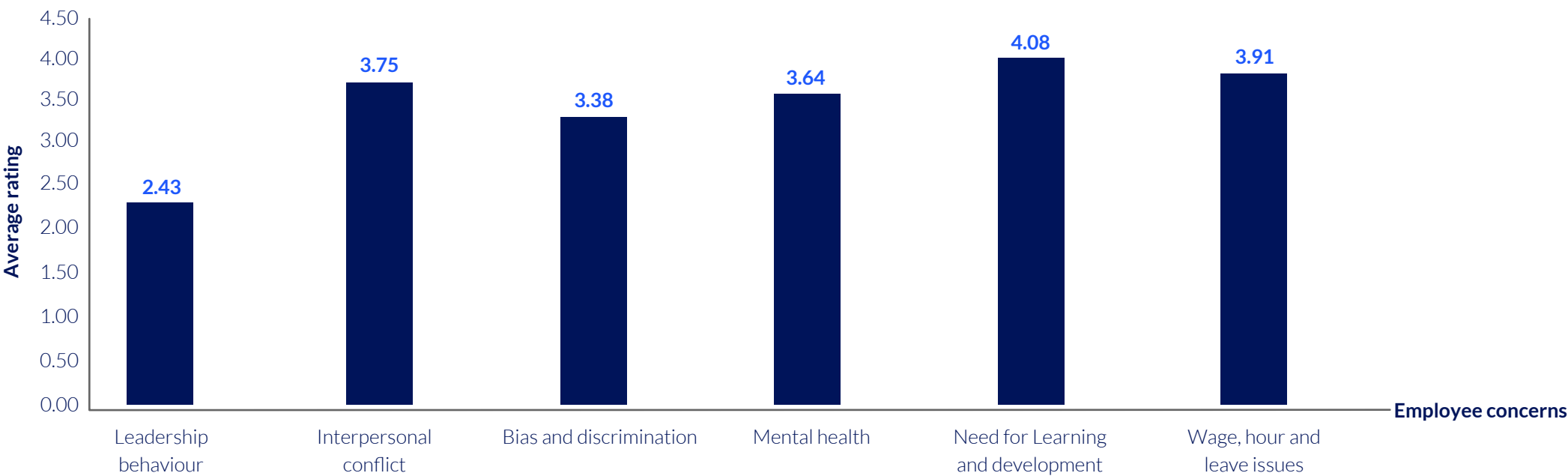
Average rating on a scale of 1 to 5, where 1 stands for 'Highly disagree' and 5 stands for 'Highly agree'

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> *Employees need to feel safe, both physiologically and psychologically. Transportation facilities, for instance, have the potential for people to bond, while alleviating psychological stresses.*

Mr. Balasubramaniam Iyer

Organisational provisions, future plans and priorities

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Feedback systems and policies to eliminate biases prioritised by organisations

Organisational plans for the next 12 months

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

Biases and discrimination have been experienced by employees as they want organisations to act upon it and to their benefit many employers (**47%** of the responses) are willing to prioritize it in the next year. Most employer responses (**59%**) suggest that feedback mechanisms would be the utmost priority. Training on L&D strategies is not in their plans as much as it should have been (**29%** of the employer responses).

Among employers who have been asked for provisions on mental health training and leadership provisions by leaders, only **12%** would be providing the same in the next 12 months, much to the dismay of leaders.

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Leaders need training, but are they being provided enough support?

Organisational Provisions

Provisions (y-axis)

% of employer responses (x-axis)

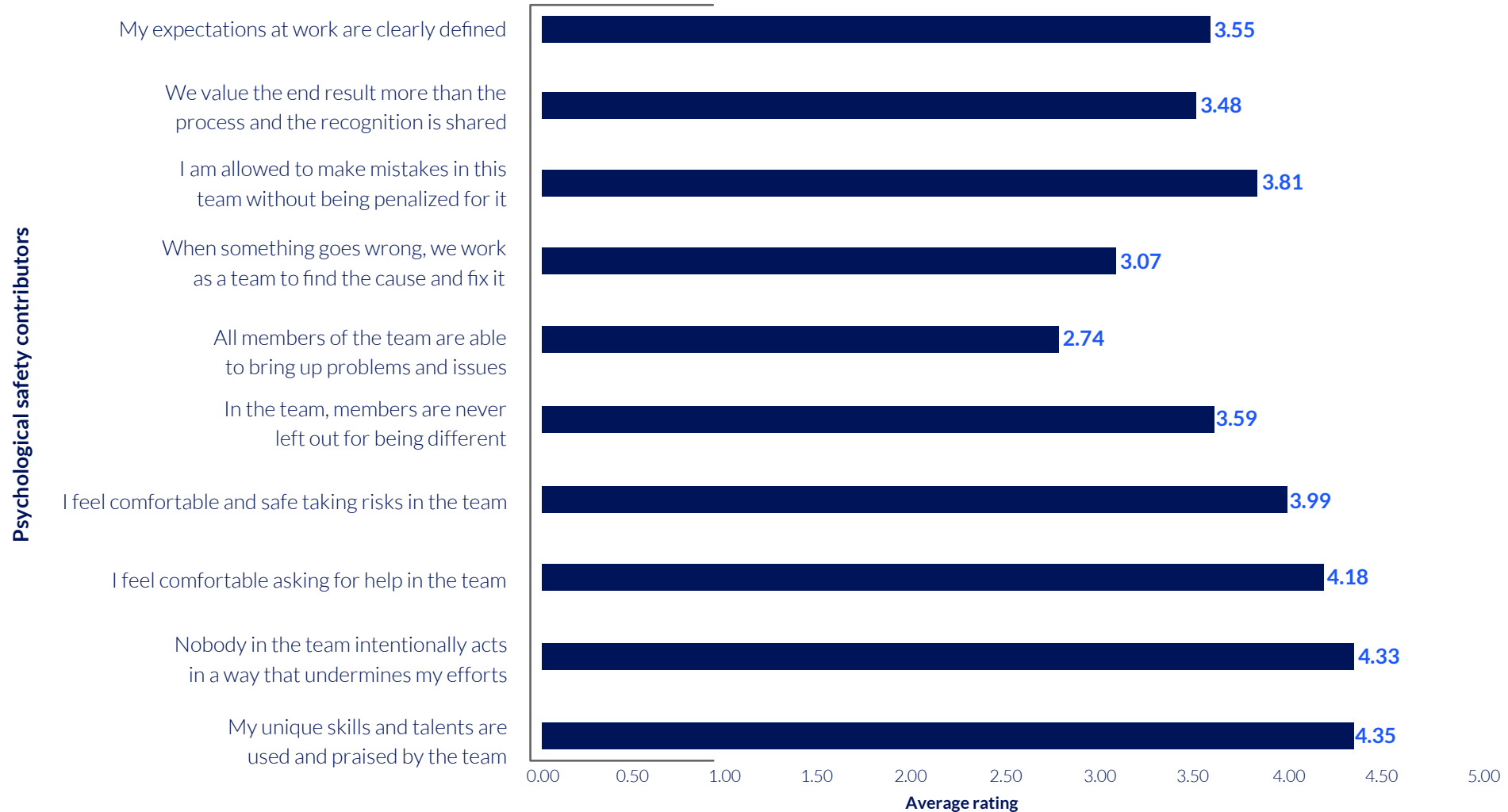| Provision	Asked	Provided
Mental Health	30%	29%
L&D for both individuals	17%	10%
Facilitating/improving	40%	35%
Behavioural skill	40%	32%
Pulse surveys	46%	43%
Measuring emotional index	34%	26%
Leadership training	16%	9%

Legend: ■ Asked ■ Provided
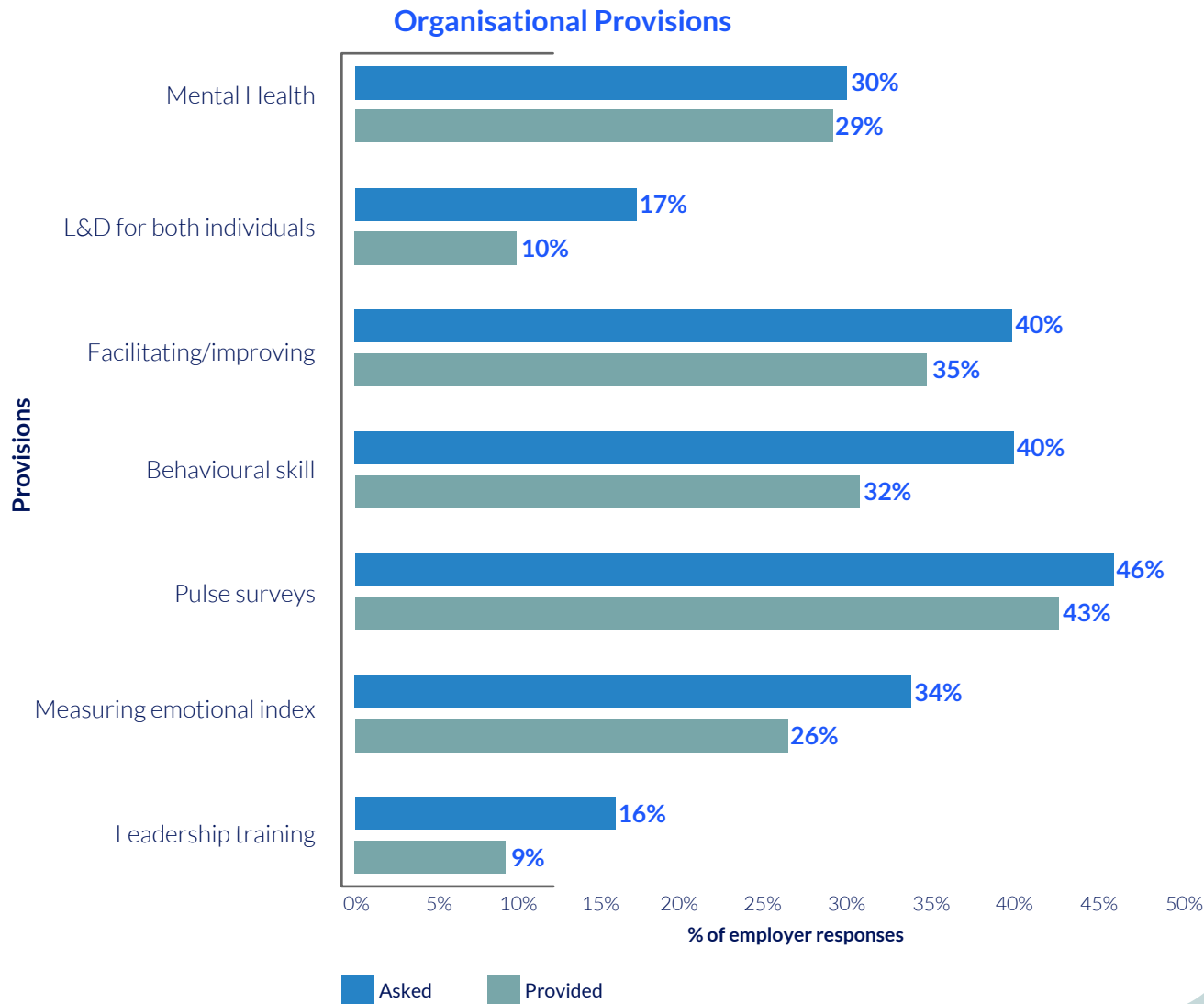
Organisations have provided pulse surveys for leaders up to the same extent as they've been asked for. **46%** of the leaders have asked for pulse surveys and **43%** of the employers claim to have provided for them. Similarly, mental health training provisions have also not witnessed gaps (**30%** of the leaders and **29%** of the employers). The gaps are seen in provisions for behavioural skills (**40%** of leaders and **32%** of employers), measuring emotional index (**34%** of the leaders and **26%** of the employers), L&D for both employees and leaders (**17%** of the leaders and **10%** of the employers), and leadership training (**16%** of the leaders and **9%** of the employers). Some of these aspects are also ones that employees desire in their leaders or want them to be trained on, hence, organisations must step it up a notch to fill these gaps.
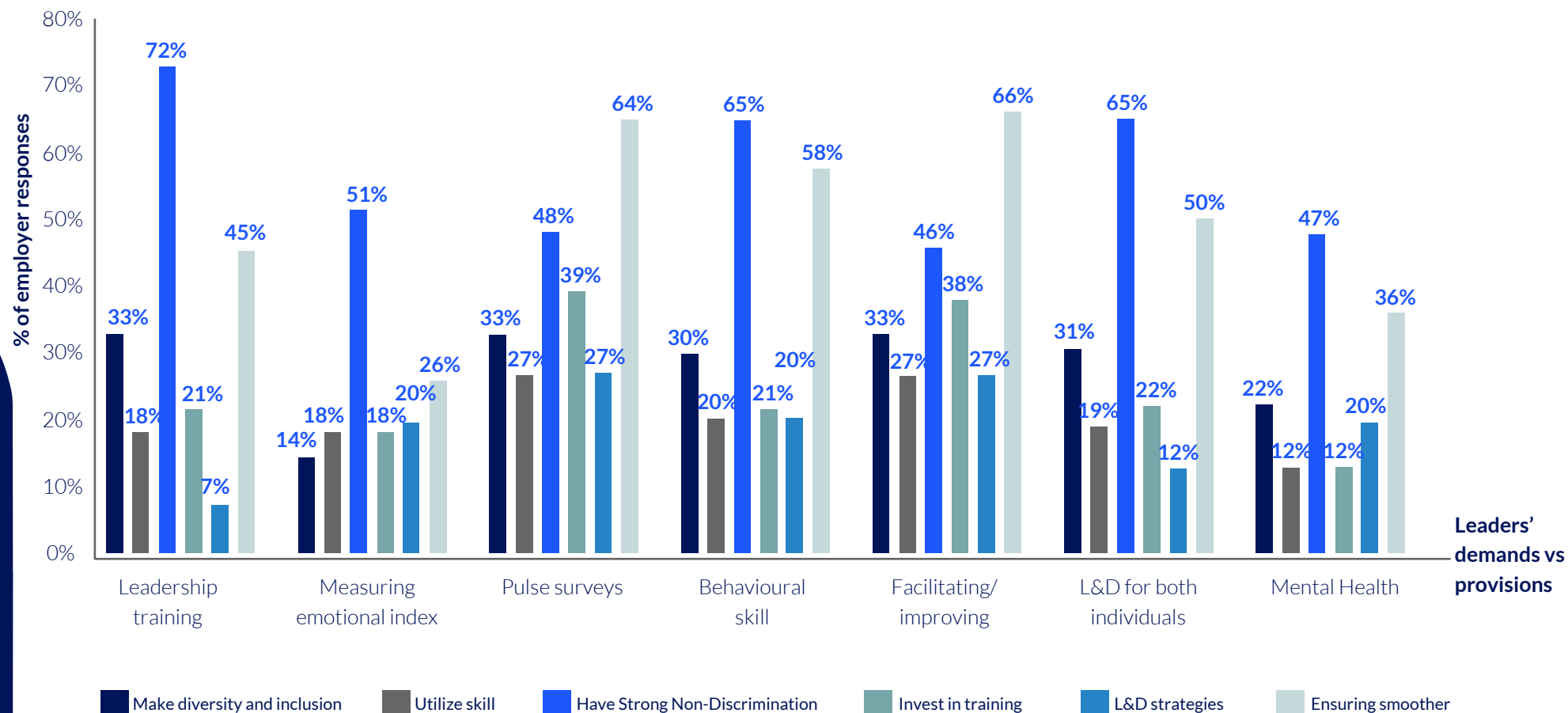
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Annexure

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Annexure 1 – More findings

Likelihood of employees having high level of psychological safety in experiencing the following

Psychological safety contributors

Contributor	Average rating
My expectations at work are clearly defined	3.55
We value the end result more than the process and the recognition is shared	3.48
I am allowed to make mistakes in this team without being penalized for it	3.81
When something goes wrong, we work as a team to find the cause and fix it	3.07
All members of the team are able to bring up problems and issues	2.74
In the team, members are never left out for being different	3.59
I feel comfortable and safe taking risks in the team	3.99
I feel comfortable asking for help in the team	4.18
Nobody in the team intentionally acts in a way that undermines my efforts	4.33
My unique skills and talents are used and praised by the team	4.35

Average rating

Average rating on a scale of 1 to 5, where 1 stands for 'Highly unlikely' and 5 stands for 'Most likely'

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Annexure 1 –More findings

Organisational plans to provide what leaders ask of them

Note: The percentages add up to more than 100 since each respondent is allowed multiple responses

Legend:
- ■ Make diversity and inclusion
- ■ Utilize skill
- ■ Have Strong Non-Discrimination
- ■ Invest in training
- ■ L&D strategies
- ■ Ensuring smoother

Categories: Leadership training, Measuring emotional index, Pulse surveys, Behavioural skill, Facilitating/improving, L&D for both individuals, Mental Health

Y-axis: % of employer responses

Leaders' demands vs provisions

Data labels:
- Leadership training: 33%, 18%, 72%, 21%, 7%, 45%
- Measuring emotional index: 14%, 18%, 51%, 18%, 20%, 26%
- Pulse surveys: 33%, 27%, 48%, 39%, 27%, 64%
- Behavioural skill: 30%, 20%, 65%, 21%, 20%, 58%
- Facilitating/improving: 33%, 27%, 46%, 38%, 27%, 66%
- L&D for both individuals: 31%, 19%, 65%, 22%, 12%, 50%
- Mental Health: 22%, 12%, 47%, 12%, 20%, 36%

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Annexure 2: Expert Opinion

Current stance on psychological safety

Organisations are realizing the importance of human capital. It is not a drastic change, but the very fact that they are cognizant of this, especially in the post-covid era when there was a lot of focus on mental well-being. Mental well-being is the outcome of so many things in an organisation and psychological safety plays an important role in it. The changes happening in the ecosystem of industries, organisations are taking steps, albeit slow, but it is on the positive side.

It's essence in the near future

In time to come, psychological safety is going to become a norm. It creates a sense of inclusivity and belongingness and makes employees want to work to their full potential. Hence it gives way to innovation and growth, and is not just essential for employees, but for organisations as well. The significance it carries in human capital, it's game changing capabilities in an organisation can be huge. Irrespective of industry, organisations want to stand out and being a differentiator gives them a competitive edge, and psychological safety provides for that.

Linking psychological safety and mental wellness

Psychological safety and mental well-being are interrelated. When there is psychological safety, mental wellness is a byproduct of that. Psychological safety enables people to express themselves, ask questions, give ideas, express their disagreements. This gives people a breather, it takes care of their anxiety, stress and that's how it gets connected to mental wellness.

Mrs. Mansee Vashist

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Annexure 2: Expert Opinion

Challenges in institutionalizing psychological safety

Conducting sessions, creating awareness, training are only means to make psychological safety possible, they alone cannot create it, unless it is woven in the fabric of the organisation. Middle management cannot be expected specifically to provide for psychological safety to people down below, since they are also in need of it. Hence, it has to flow from the top. It is challenging but if organisations would want to make conscious efforts in making it happen, it would.

Paradigm shift due to newer generations

The newer generation entering the workforce are more vocal. Organisation are also getting more and more receptive now of this change. This is where the need for leaders to be coached in their listen skills arises, in order to provide space to the other person. Listening skills would empower others to explore what they want. They also are a prerequisite for empathy, and only when people are empathized with, would they have a sense of belonging and work and contribute whole heartedly.

Enabling productive conflicts

When employees see their leaders demonstrating qualities like listening, empathy, trust, encouraging and belief in people, it enables productive conflicts within teams. However it cannot be assumed that all leaders would be adept with conflict management, and hence training would be necessary. Training even teams on conflict management is as important.

Mrs. Mansee Vashist

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Annexure 2: Expert Opinion

Vertical Mobility

In the corporate hierarchy, we still have these layers, like job descriptions. People regardless of their educational background, if they fit the role, they're hired. In that point of view the lines have blurred. From a social strata point of view, most people have intermingled. Groupisms within corporates still happens, but over time these groups will start interacting, socializing and we see that they have completely migrated away from the group they've come from.

Evolvement of psychological safety

To be able to ask questions or even question the authority of the person who is giving us a sense of direction. It depends on two big factors. One on leadership and how leaders would want open conversations to carry out within their teams. Allowing these developmental conversations to happen in their teams instead of getting work done just for the sake of it. Behavioral styles adopted by managers play an important role in it.

Role of trust and communication

Psychological safety also depends upon the trust established within leaders and their teams which also contributes to the inter-personal relationships among them. It depends on how well they communicate in a monosyllable or ever in the virtue of body language. That comes through trust and the way they are communicating amongst themselves within the team. People don't leave jobs they leave managers.

Mr. Balasubramaniam Iyer

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Paradigm shift due to newer generations

Diversity is essential in team meetings, which includes younger workforce as well. It is the responsibility of the higher ups to give them an on the job training as much as possible. Giving the opportunity for them to speak up is very important, and in addition giving them this opportunity without retribution is also crucial. They must also be given a safe space to make amends to their mistakes if required.

Role of leaders

Different managers have different styles of working but irrespective of that, they must value a system which governs the organisation. As long as they are not compromising on those, they could take the organisation forward without too much of a hiccup. Leaders are also responsible in creating an environment where people feel free to ask genuine questions that concerns them, if not to the leader then at least amongst the team, without the fear of any negative consequences. Leaders end up having various roles to play. The most important one would be to ensure their team is well protected, both physiologically and psychologically.

Role of organisations

From an organisational point of view, they need to make sure employees have the right resources and training to feel safe and be productive. The employee welfare services and facilities like gyms, transportations etc. could be few things organisations could provide from their end. Facilities like transportation creates a bonding between people who live in close proximity. Secondly, it also ensures that these issues are not the ones causing psychological stresses. Sometimes situations require employees to work round the clock, allowing flexibility at work, allowing employees to work from home in situations when they need it, would allow them to take care of their personal priorities and also ensure that they tend to their work as well.

Mr. Balasubramaniam Iyer

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Annexure 3 –Methodology

- **Secondary research:**
  Literature review

- **Primary survey methodology:**
  Sample size: 546 Employer respondents

- **Primary survey methodology:**
  Sample size: 1072 Employee respondents

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Annexure 4 –Survey Design

Total 546 Employer Respondents

Sectors	Total No. of Respondents
Automobile	68
BFSI	65
Consumer Durables	68
E-commerce	68
FMCG	70
Healthcare & Pharmaceuticals	68
IT/ITeS	68
Retail	71

Business Size	Total No. of Respondents
Large (greater than 1000 employees)	97
Medium (100 to 1000 employees)	257
Small (less than 100 employees)	192

City	Total No. of Respondents
Bangalore	95
Chennai	92
Hyderabad	89
Kolkata	89
Mumbai	92
NCR	89

Total 1072 Employee Respondents

Sectors	Total No. of Respondents
Automobile	134
BFSI	134
Consumer Durables	134
E-commerce	134
FMCG	134
Healthcare & Pharmaceuticals	134
IT/ITeS	134
Retail	134

Business Size	Total No. of Respondents
Large (greater than 1000 employees)	211
Medium (100 to 1000 employees)	529
Small (less than 100 employees)	332

City	Total No. of Respondents
Bangalore	179
Chennai	179
Hyderabad	177
Kolkata	179
Mumbai	179
NCR	179

Gender	Total No. of Respondents
Male	549
Female	523

Age	Total No. of Respondents
Less than 25 years	137
26 - 35 years	532
36 - 45 years	271
46 years or more	132

Hierarchy	Total No. of Respondents
Junior Level (0-5 years' experience)	567
Mid Level (5-10 years' experience)	383
Senior Level (10+ years' experience)	122

Current Work Mode	Total No. of Respondents
Remote	327
Hybrid	506
In-Office	239

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Annexure 5 – Bibliography

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