

*VHA QUERI Cyberseminar*



# THE FEARLESS ORGANIZATION

CREATING PSYCHOLOGICAL SAFETY FOR LEARNING, INNOVATION & GROWTH



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Harvard Business School

# PSYCHOLOGICAL SAFETY, ORGANIZATIONAL LEARNING, HROs, & SERVANT LEADERSHIP – IT ALL FITS TOGETHER

- In today's world, organizations must keep **learning** to achieve their goals and survive over the longer term
- **High-reliability** organizations require curiosity, humility and vigilance in the face of complexity and interdependence
- The leaders role is to **serve** others in ways that foster learning and growth
- Learning and growth happen in a **psychologically safe** environment...

# POLL QUESTION #1

- **What is your primary role in VA?**
  - **student, trainee, or fellow**
  - **clinician**
  - **researcher**
  - **administrator, manager or policy-maker**
  - **other**

## POLL QUESTION #2

**If you have anyone reporting to you, please answer**

How often do people reporting to you come to you with news of success or progress toward achieving their/your team's goals

1. Often
2. Sometimes
3. Rarely

## POLL QUESTION #3

**If you have anyone reporting to you, please answer**

How often do people reporting to you come to you with their mistakes, failures, or requests for help.

1. Often
2. Sometimes
3. Rarely

# CONFRONTING A NEW REALITY

- **Volatile:** Rapid changes, ups & downs/big swings
- **Uncertain:** Difficult to predict future events/values
- **Complex:** Multiple interconnected elements
- **Ambiguous:** Unclear meaning of signals/events

= V.U.C.A.



## POLL QUESTION #4

- In your work at the VHA, how much uncertainty do you face?
  - 1 (very low)
  - 2 (low)
  - 3 (medium)
  - 4 (high)
  - 5 (very high)

## POLL QUESTION #5

- How much interdependence do you face? (i.e., to what extent is it necessary to coordinate with others in an intense and ongoing way to get key work done?)
  - 1 (very low)
  - 2 (low)
  - 3 (medium)
  - 4 (high)
  - 5 (very high)

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*What's needed in a VUCA world is NOT what's natural....*



# HOW IS WORK ACCOMPLISHED IN A VUCA WORLD?

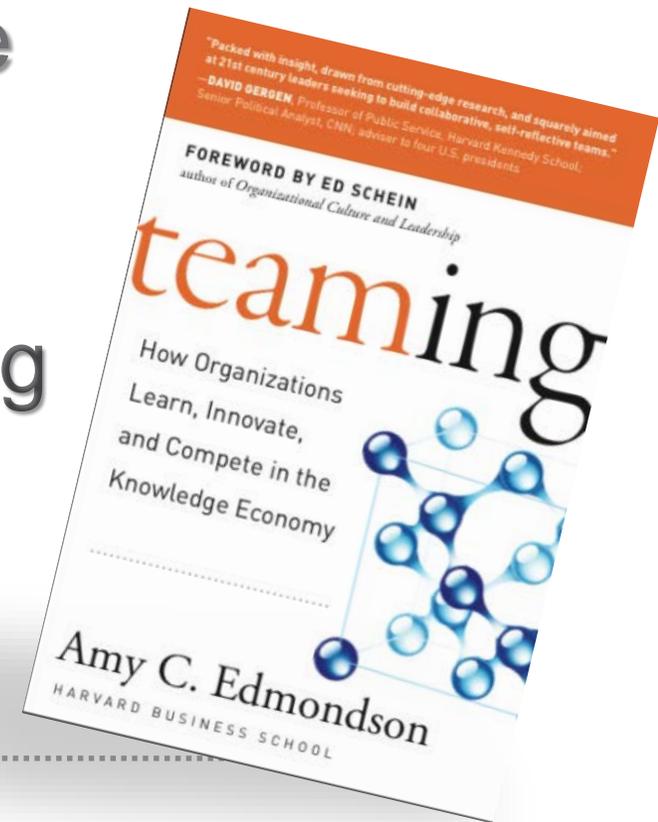
## *teams (n.) & team • ing (v.)*

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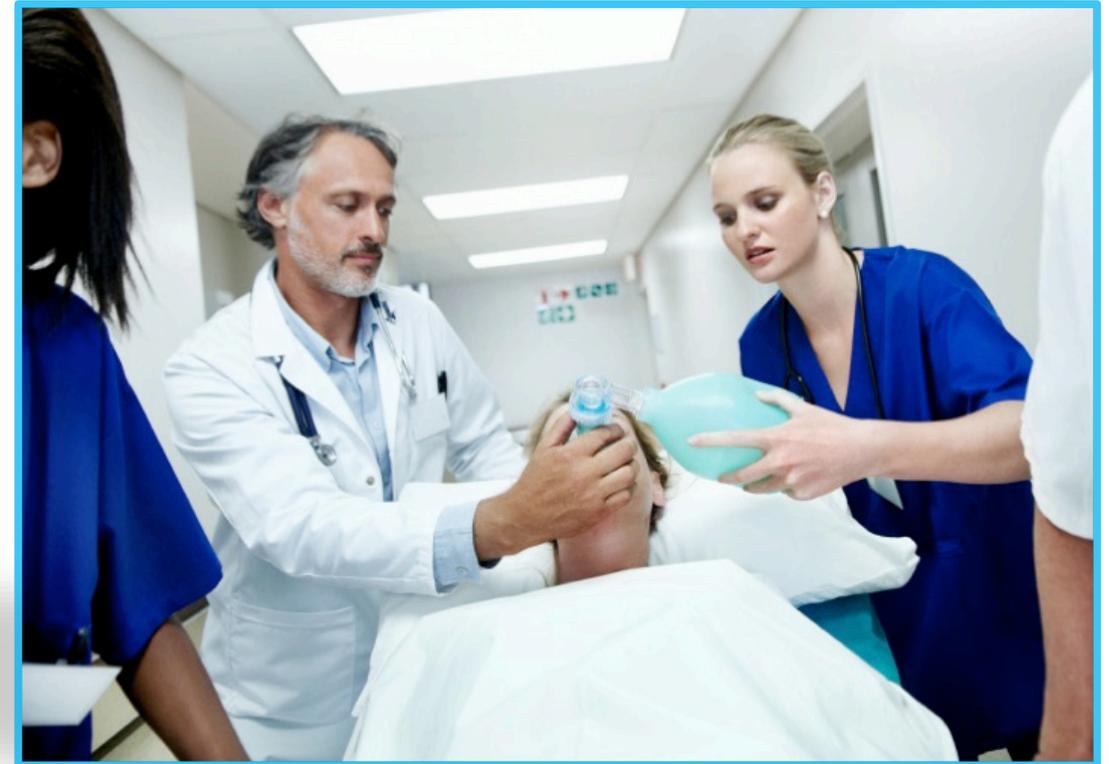
Teams are stable, bounded groups of people interdependent in achieving a shared goal

Teaming is teamwork on the fly—coordinating and collaborating across boundaries without the luxury of stable team structures

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# TEAMS



# TEAMING

A **TEAM** IS A (1) **STABLE**, (2) **BOUNDED** GROUP OF INDIVIDUALS WHO ARE (3) **INTERDEPENDENT** IN ACHIEVING A (4) **SHARED GOAL**

# FEARLESSNESS – SMALL IDEAS THAT MAKE A BIG DIFFERENCE

- Interdependent work is vulnerable to interpersonal risk (which contributes to business and safety risk in a VUCA world)
- Recognizing the different types of failure helps us make thoughtful distinctions that foster smart risk taking
- Small actions make a big difference in building psychological safety for agile teaming

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## FEAR CREATES BUSINESS RISK – THE CASE OF VW

“There was always a distance, a fear and a respect...If he [Martin Winterkorn] would come and visit or you had to go to him, your pulse would go up. If you presented bad news... it could become quite unpleasant and loud and quite demeaning.”



*VW executive*

## A RECIPE FOR FAILURE: STRETCH GOALS & CLOSED EARS

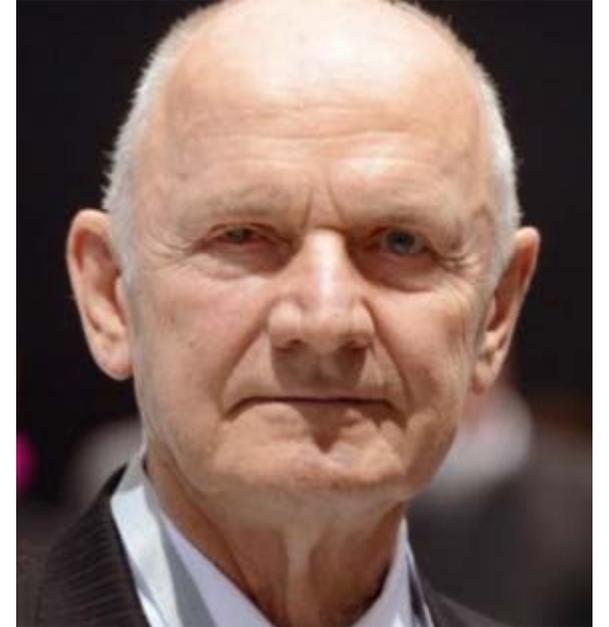
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*VW executive*

## WINTERKORN'S MENTOR

I called all the body engineers, stamping people, manufacturing, and executives into my conference room. And I said, “I am tired of all these lousy body fits. You have six weeks to achieve world-class body fits. I have all your names. If we do not have good body fits in six weeks, I will replace all of you. Thank you for your time today.”



Ferdinand Piech, VW's former chairman, CEO, Martin Winterkorn's mentor



# THE SUBTLE NATURE OF INTERPERSONAL RISK AT WORK

**No One Wants To Look**

**It's Easy To Manage!**

**Ignorant**

**Don't Ask Questions**

**Incompetent**

**Don't Admit Weakness or Mistakes**

**Intrusive**

**Don't Offer Ideas**

**Negative**

**Don't Critique the Status Quo**

**IMPRESSION MANAGEMENT IS SECOND NATURE**

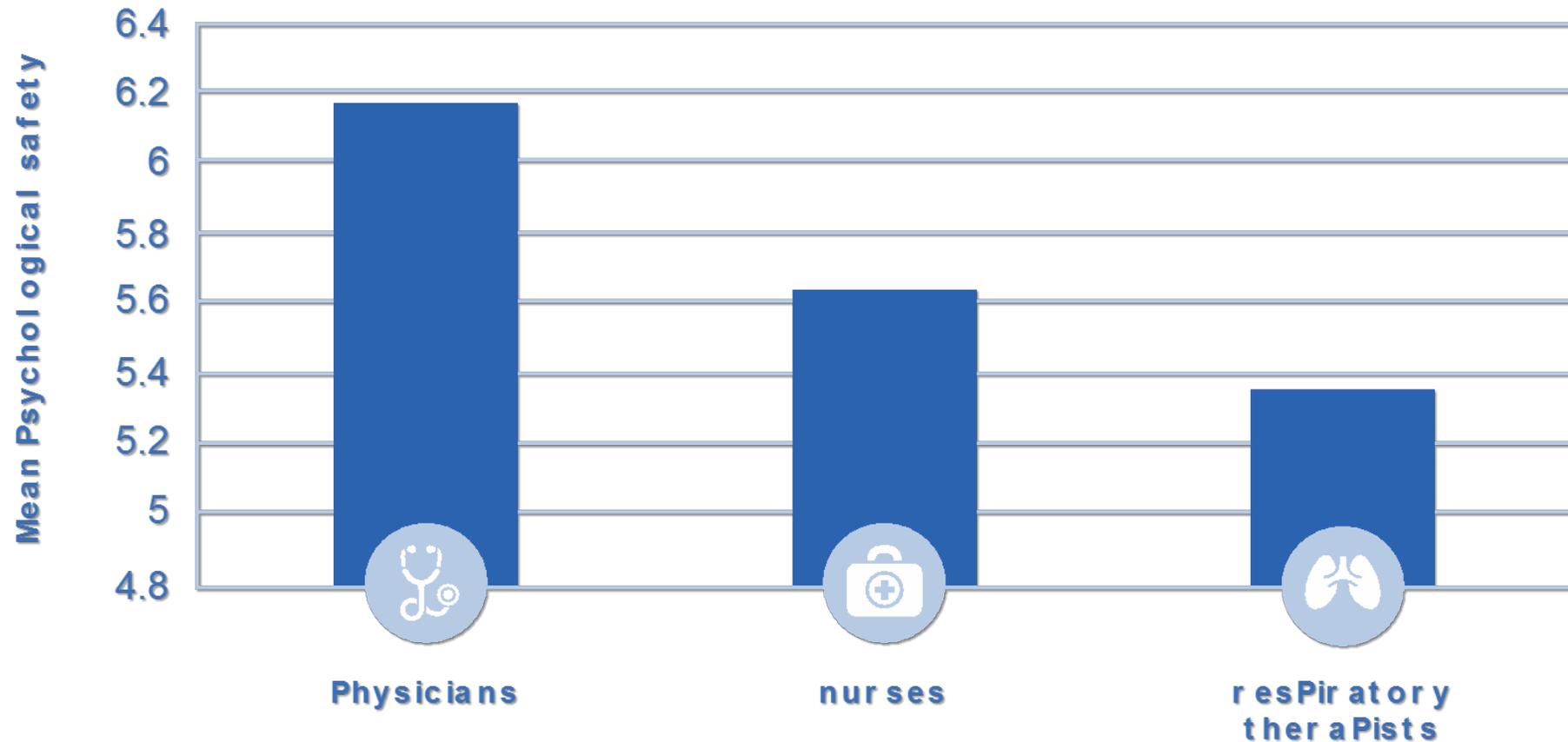
# PSYCHOLOGICAL SAFETY



A belief that the context is safe for interpersonal risk taking – and so one will not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes.

THINK OF IT AS FELT PERMISSION FOR CANDOR.

# PSYCHOLOGICAL SAFETY AND HIERARCHY



N=1100 clinicians

Nembhard, I. and Edmondson A.C. (2006). Making it safe: The effects of leader inclusiveness and professional status on psychological safety and improvement efforts in healthcare teams, *Journal of Organizational Behavior*.

*Status differences are pervasive and problematic in most organizations*

# NOT JUST THE FRONT LINES

©Cartoonbank.com



"All those in favor say 'Aye.'"  
"Aye."  
"Aye."

"Aye."  
"Aye."

"Aye."

# PSYCHOLOGICAL SAFETY: WHAT WE KNOW

- Psychological safety is not about ‘being nice’
  - It’s about recognizing what behaviors are needed to cope with dynamic, uncertain, interdependent work
- Psychological safety “lives” at the group level
  - that is, psychological safety varies across groups within organizations
  - As such, it’s influenced greatly by local leaders
- Psychological safety enables learning behavior...
  - Error reporting (Edmondson, 1996)
  - Quality improvement (Tucker, Nembhard & Edmondson, 2007)
  - Innovation...and more (see Edmondson & Lei, 2016 for a review)
- What about performance?

# SACRIFICING PERFORMANCE STANDARDS?



*Is it a matter of finding the right point on a balance beam?*

# NO TRADEOFF BETWEEN HIGH STANDARDS & PSYCHOLOGICAL SAFETY



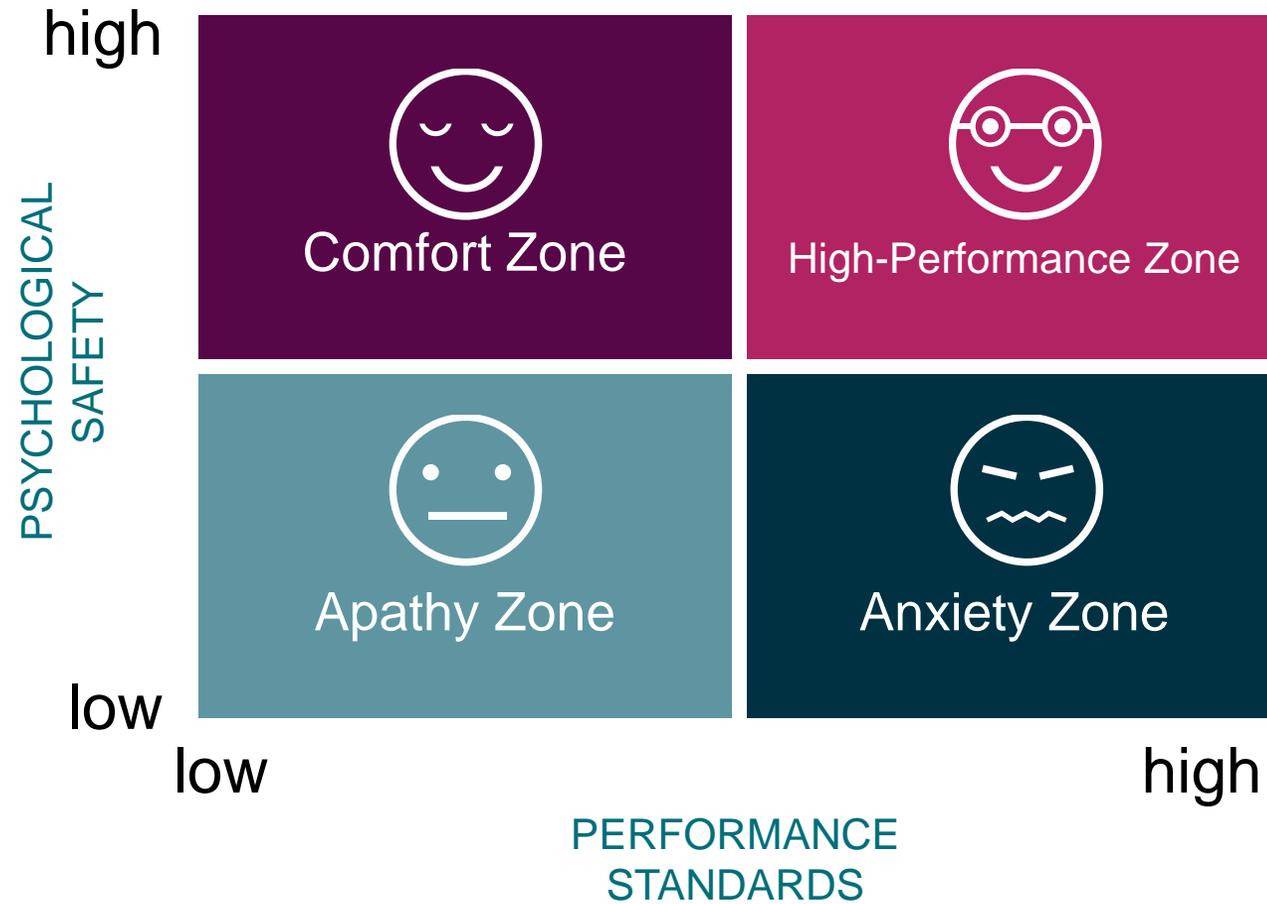


## POLL QUESTION #6

Which quadrant characterizes your current work unit?

- a) Apathy Zone
- b) Comfort Zone
- c) Anxiety Zone
- d) Learning Zone

# FACING UNCERTAINTY OR INTERDEPENDENCE



## What Google Learned From Its Quest to Build the Perfect Team

New research reveals surprising truths about why some work groups thrive and others falter.

By CHARLES DUHIGG Illustrations by JAMES GRAHAM

When Rozovsky and her Google colleagues encountered the concept of psychological safety in academic papers, it was as if **everything suddenly fell into place...**

**The New York Times**

February 28, 2016

## EXPLAINING TEAM PERFORMANCE

“Psychological safety was far and away the most important of the five dynamics we found -- it’s the underpinning of the other four.”



# FEARLESSNESS – SMALL IDEAS THAT MAKE A BIG DIFFERENCE

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- Small actions make a big difference in building psychological safety for agile teaming

ALL FAILURE IS  
NOT BAD...

ALL FAILURE IS  
NOT GOOD  
EITHER!



HBR.ORG

# Harvard Business Review

APRIL 2011

48 Understanding Failure  
A Playbook for Learning from Failure  
Amy C. Edmondson

86 Learning from Failure  
Former P&G CEO  
A.G. Lafley: "I Think of My Failures as a Gift"

100 Recovering from Failure  
Building Resilience  
Martin E.P. Seligman



**THE FAILURE**

HOW TO UNDERSTAND IT, LEARN FROM IT, AND RECOVER FROM IT **ISSUE**

# 3 TYPES OF FAILURES



1

## Preventable Failures

- Where we know how to do it right



2

## Complex Failures

- Complex factors (internal, external, or both) combine in novel ways to produce failures in reasonably familiar contexts



3

## Intelligent Failures

- Undesired results of thoughtful forays into novel territory

# ELEMENTS OF INTELLIGENT FAILURES

- 1. The opportunity explored is significant**
- 2. The outcome will be informative**
- 3. The cost and scope are relatively small**
- 4. Key assumptions are explicitly articulated**
- 5. The plan will test those assumptions**
- 6. The risks of failing are understood, and mitigated to the extent possible**

*Pursuing intelligent failures makes sense when you believe there are significant future opportunities in new areas where experimentation is feasible without producing unacceptable harm today.*

# FAIL WELL

- Reduce **Preventable** Failures
- Anticipate and Mitigate **Complex** Failures
- Promote **Intelligent** Failures



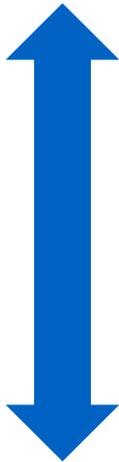
# PROMOTE INTELLIGENT FAILURES: EMBRACE THE MESSENGER





# EMBRACE MESSENGERS: CLOSE THE GAP

Praiseworthy



Blameworthy

## POTENTIAL CAUSES OF FAILURE

- Experimentation
- Uncertainty
- Complexity
- Incompetence
- Inattention
- Deliberate Violation

**QUESTION** What percent of failures in your organization are caused by blameworthy acts?

**QUESTION** What percent of failures does your organization *treat* as caused by blameworthy acts?

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# HOW DO YOU BUILD PSYCHOLOGICAL SAFETY?



## HOW DO YOU BUILD PSYCHOLOGICAL SAFETY?

- 1. Set the stage - frame the work**
- 2. Invite engagement**
- 3. Respond appreciatively**

# SET THE STAGE BY FRAMING THE WORK

from **BLUEPRINT**

to **CONTINGENT APPLICATION**

to **BRAINSTORM**



**ROUTINE, WELL-UNDERSTOOD**



**VARIABLE, UNCERTAIN, COMPLEX**



**INNOVATIVE, NOVEL, UNKNOWN**

*Uncertainty*

*Failure Rates*

## FRAMES

Implicit beliefs that shape how people make sense of a situation and influence how they act and respond...

## FRAMING

Actions that shape people's frames

# FRAMING THE WORK – TO OVERRIDE INSTINCTS

	WELL-UNDERSTOOD, REPEATING	COMPLEX, CUSTOMIZED	NOVEL, UNCERTAIN
<b>What instincts need to be overridden to do this work well</b>			
<b>How should you make the case for voice in each context</b>			

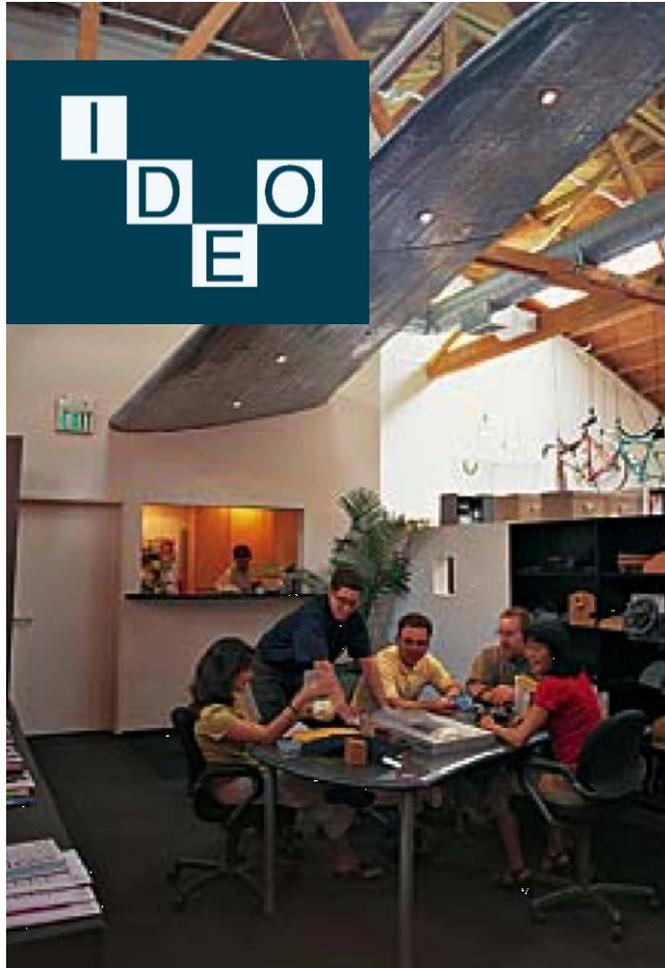
## **FRAMING THE WORK – TO OVERRIDE INSTINCTS**

Framing is conveying messages that help people develop a shared sense of the work... to help override natural instincts that get in the way of excellence.

Good leaders do this deliberately and often...

Consider the frame in the following examples (along with the natural instinct each is designed to override):

# FRAMING THE WORK: INNOVATION REQUIRES FAILURE



“ Fail often in order to succeed sooner...”



# FRAMING THE WORK: SUCCESS THROUGH COURSE-CORRECTION



I said, *“Early, often, ugly. It’s O.K. It doesn’t have to be perfect because then I can course-correct much, much faster.”*

No amount of ugly truth scares me. It’s just information to make a decision.

Source: New York Times, Corner Office, August 12, 2016

# FRAMING THE WORK: SUCCESS THROUGH COURSE-CORRECTION



Jeff Bezos, founder and CEO of Amazon, speaks during a discussion at the Air Force Association conference. Photographer: Andrew Harrer/Bloomberg

“If you’re good at course-correcting, being wrong may be less costly than you think.”

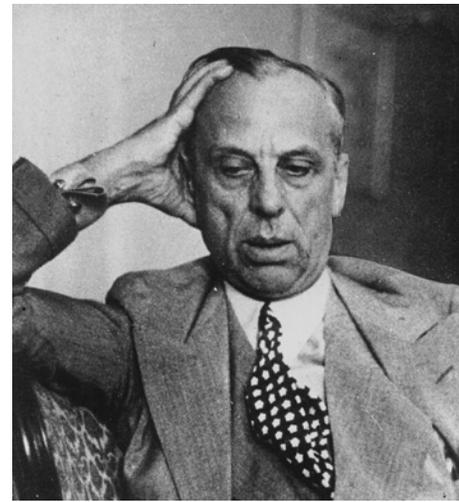
Quoted by Erik Larson, in *How Jeff Bezos Uses Faster, Better Decisions To Keep Amazon Innovating*, Forbes.com, 9/24/18.

## FRAMING THE WORK: DISSENT AS DEPTH

“ Gentlemen, I take it we are all in complete agreement on the decision...

Then I propose we postpone further discussion of this matter until our next meeting to give ourselves time to develop disagreement and perhaps gain some understanding of what the decision is all about. ”

– Alfred P. Sloan (1946). *My Years with General Motors*.



## FRAMING THE WORK: INPUT IS INVALUABLE AND EXPECTED

*The scene: The briefing room of a bomb-damaged school in London, May 15, 1944, as Eisenhower briefed King George VI, Churchill, and the 145 commanders who would lead the assault on Europe in less than a month:*



"With only a hint of the famous grin, Eisenhower spoke briefly...

***I consider it to be the duty of anyone who sees a flaw in the plan not to hesitate to say so. I have no sympathy with anyone, whatever his station, who will not brook criticism. We are here to get the best possible results.***

**Rick Atkinson, *The Guns at Last Light: The War in Western Europe, 1944-1945***

**(Henry Holt and Company, 2013, pp. 6)**

## FRAMING THE WORK: FREE UP YOUR BRAINS FOR JUDGEMENT – STANDARDIZE THE REST TO MAKE IT POSSIBLE



Here's our protocol. We think it's pretty good. We'd like you to **follow** it.

AND, we'd like you to **deviate** from it – any time your clinical judgement tells you to do so.

All we ask is that you tell us what you did and why...

## FRAMING THE WORK: CONSTANT IMPROVEMENT IS HOW GREAT CARE GETS DELIVERED

# FRAMING THE WORK IN ROUTINE PRODUCTION

“James Wiseman remembers the moment he realized that Toyota wasn’t just another workplace but **a different way of thinking about work...**

[In his prior jobs] Wiseman recalled that he ... “had the attitude that when you achieved something, you enjoyed it.”

“He recalls being steeped in the American business culture of not admitting, or even discussing, problems in settings like meetings.”

\* Source: Charles Fishman (2006). No Satisfaction at Toyota. *Fast Company*, 111: p.82.

## FRAMING THE WORK: PROBLEMS AS A TEAM SPORT

The Georgetown plant was run by Fujio Cho [later chairman of Toyota worldwide]. Every Friday, there was a senior staff meeting.

“I started out going in there and reporting some of my little successes,” says Wiseman. “One Friday, I gave a report of an activity we’d be doing...and I spoke very positively about it, I bragged a little. After two to three minutes, I sat down.

“And Mr. Cho kind of looked at me. **I could see he was puzzled.**”

He said, ‘Jim-san. We all *know* you are a good manager, otherwise we would not have hired you. But please talk to us about your problems so we can work on them together.’ ”

Wiseman said it was like a lightning bolt. “Even with a project that had been a general success, we would always ask, ‘What didn’t go well so we can make it better?’ ”



## FRAMING THE WORK: IT’S ALWAYS POSSIBLE TO DO BETTER!

# FRAMING IS CONTEXT DEPENDENT

	Implicit message	Instinct the message overrides
Kelley (innovation)	Innovation work requires failure for success	
Quarles/Bezos (internet-based entrepreneurship)		
Sloan/Eisenhower (strategic decision making)		
James (Care delivery)		

## FRAMING IS CONTEXT DEPENDENT

	Implicit message	Instinct the message overrides
Kelley (innovation)	Innovation work requires failure for success	
Quarles/Bezos (internet-based entrepreneurship)	The way to succeed is to start quickly with a good-enough version that will be improved with data and experience	
Sloan/Eisenhower (strategic decision making)	High quality strategic decision making requires input and dissent	
James (Care delivery)	Standardization enables clinical judgement. Continuous improvement is possible.	
Cho (routine production)	Problem solving is a team sport. We can be even better tomorrow than we are today.	

# FRAMING IS CONTEXT DEPENDENT

	Implicit message	Instinct the message overrides
Kelley (innovation)	Innovation work requires failure for success	Fear of failure; desire to get it right the first time
Quarles/Bezos (internet-based entrepreneurship)	The way to succeed is to start quickly with a good-enough version that will be improved with data and experience	The desire to delay until it's perfect
Sloan/Eisenhower (strategic decision making)		
James (Care delivery)	Standardization enables clinical judgement. Continuous improvement is possible.	Reluctance to be told what to do; Expertise mindset Complacency
Cho (routine production)	Problem solving is a team sport. We can be even better tomorrow than we are today.	Tendency to share successes and hide problems Complacency

# HOW DO YOU BUILD PSYCHOLOGICAL SAFETY?

1. Set the stage
2. Invite engagement
3. Respond appreciatively

# INVITE ENGAGEMENT: ACKNOWLEDGE YOUR LIMITS



*“I may miss something. I need to hear from you.”*

*“I’m new to this role. What are you seeing out there?”*

*“I’m not an expert in X; I need your help.”*

***These behaviors:***

***lower the psychological costs of speaking up and raise the psychological costs of silence***

# INVITE ENGAGEMENT: ASK GOOD QUESTIONS

- To broaden the discussion
  - What do others think?
  - What are we missing?
  - What other options could we consider?
  - **Who has a different perspective?**
- To deepen the discussion
  - What leads you to think so?
  - What's the concern that you have about that?
  - Can you give us an example?
  - Can you explain that further?
  - What do you think might happen if we did X?

*Good questions focus on what matters, invite careful thought, and give people room to respond.*

# HOW DO YOU BUILD PSYCHOLOGICAL SAFETY?

1. Set the stage
2. Invite participation
3. Respond appreciatively



## ALAN MULALLY AT FORD

*“Mark, thank you for that clear line of sight. What can we do to help you out”*

*“The next week, the charts looked like a rainbow.”*



**RESPOND APPRECIATIVELY**

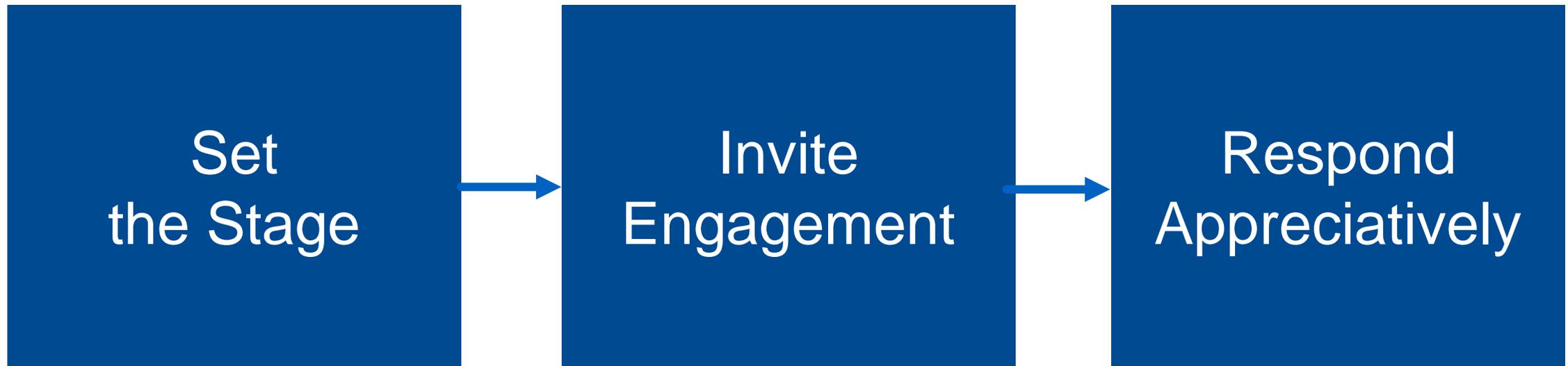
## **EMBRACE MESSENGERS**

**You have to make honest feedback a positive experience. It has to be that the red is a gem. I had to demonstrate with my behavior that I welcomed it.**

**Alan Mulally, as told to Diane Brady, *Business Week*.**

**April 12, 2012**

# WHAT LEADERS CAN DO TO CREATE PSYCHOLOGICAL SAFETY



1. **Setting the stage** by framing the work accurately – ensuring shared understanding of the reality of complexity, uncertainty, novelty, and failure;
2. **Inviting engagement** by acknowledging limits and asking good questions;
3. **Responding** in a way that embraces messengers and fosters learning.



# TAKEAWAYS

**Interpersonal fear puts organizations, their customers, and their employees at risk**

**Interpersonal fear at work is natural and instinctive**

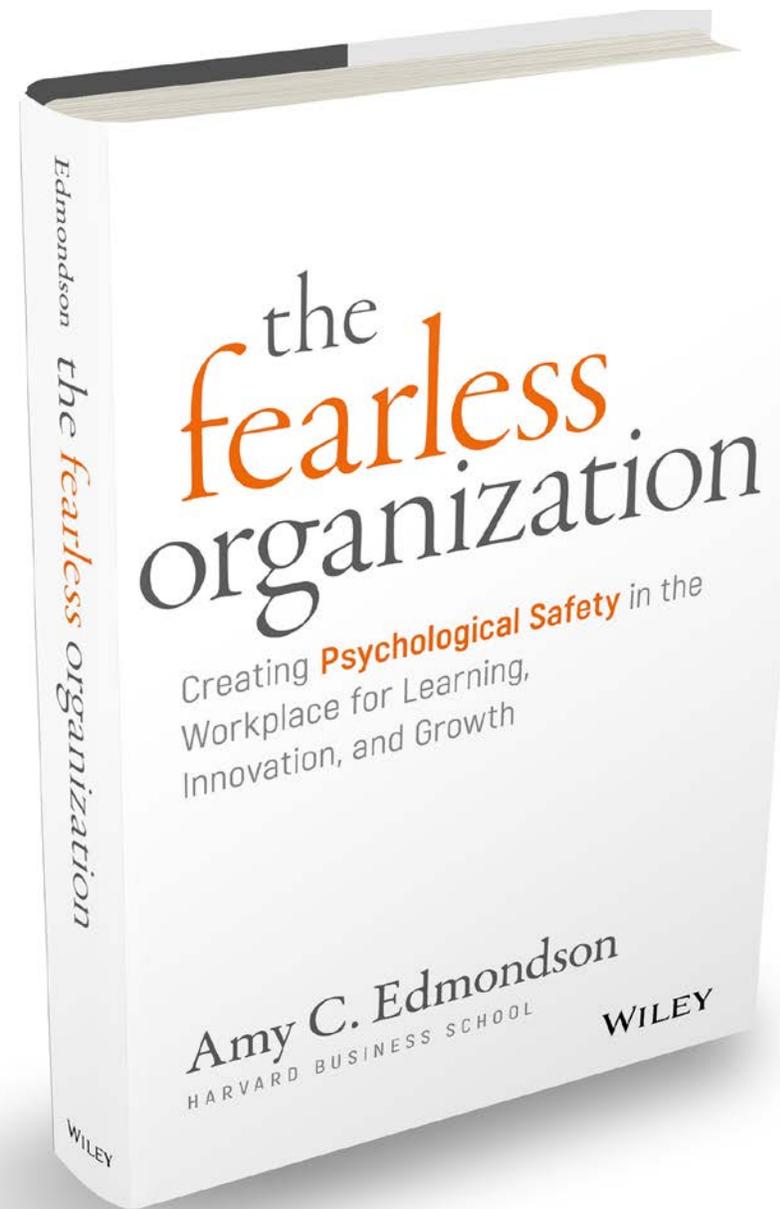
**Leaders can, and must, override the effects of interpersonal fear by building psychological safety**

**COMING NOVEMBER 20...**

**Interpersonal fear puts organizations, their customers, and their employees at risk**

**Interpersonal fear at work is natural and instinctive**

**Leaders can, and must, override the effects of interpersonal fear by building psychological safety**



**THANK YOU!**