

Psychological Safety

The Quiet Accelerator of Transformation

In a world moving at breakneck speed, true transformation hinges not just on scale or velocity, but on psychological safety: the courage to speak up and challenge norms, course correcting in real time.

Psychological safety has quietly become one of the most decisive factors in making transformation stick, especially when AI is redrawing what's possible, and uncertainty is the new baseline. We have seen this across every aspect of our work with the organisations we partner with to help drive business performance.

In organisations where psychological safety is present, performance gaps close faster, innovation flows more freely, and the risk of preventable failure drops dramatically. But the opposite is also true. When silence takes hold, especially under pressure, the cost is not just cultural, but systemic.

A survey by the Irish Banking Culture Board in 2021 revealed that one in five people across 5 major banking organisations hold back from raising a concern for fear of consequence, or perhaps worse, for fear that it is pointless to do so. That hesitation can become a competitive liability as it can stifle innovation and performance.

Why This Matters More Than Ever

Transformation today isn't neat or linear, even if we want it to be, and despite the best plans laid. Whether redefining operating models, rapidly rewriting skills strategies, automating workflows or embedding AI into frontline operations, our only constant is rapid change, which puts pressure on every human system to perform at pace.

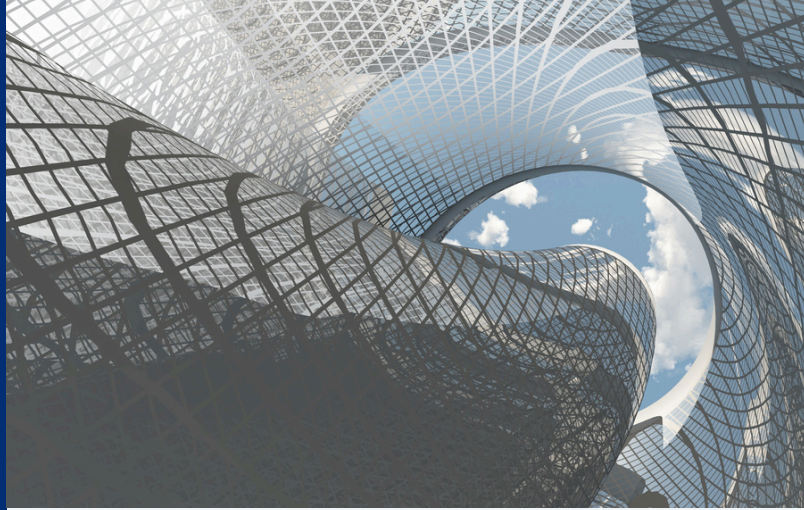
Without psychological safety in place, we lack ingredients like trust, understanding and safe collaboration - which are crucial for decision making, problem solving and high performance.

In 2022, Rio Tinto commissioned a review after a high profile, public scandal. This review found a "culture of silence" where people feared reprisals for speaking up, with minority and early-career workers the most reluctant to flag problems.

Because operational risks in mining escalate fast, those muted voices cost the company dearly. Engineers missed early warning signs, fixes became fire-fights, and leadership wasted days re-working plans once the issues finally surfaced.

Every delay also chipped away at trust: site teams saw management promoting "safety first" yet leaving the psychological-safety gap unaddressed, so confidence in other flagship transformation initiatives eroded.

Rio Tinto acted fast and systematically to address this issue at all levels of the organisation with all leadership being held directly accountable for the outcomes - but they learned the hard way.



What the Evidence Tells Us

Don't take our word for it - where are the proof points?

In 2012, Google undertook Project Aristotle, analysing hard data on 180+ sales and engineering teams, identifying the critical pillars for performance. It found that psychological safety is the single biggest predictor of a team's success, giving empirical weight to the idea that teams thrive when members feel safe to be human.

BP now streams over two million sensor signals into a Palantir-driven digital twin, letting engineers anticipate faults and head off high-risk "tier-1" incidents before they erupt, reducing down time and saving lives. Crucially, the technology succeeds only when frontline crews feel psychologically safe to challenge its read-outs, a virtuous loop in which trusted predictions reduce surprise breakdowns and, in turn, heighten workers' sense of control and security.

The evidence is clear: psychological safety is a performance multiplier, not just a cultural add-on. Build that safety and the performance metrics will follow.

And it turns out that the confidence to speak up, raise risks, or suggest new paths isn't just about morale, it's about momentum. In one coaching circle at a large utility, supervisors have shifted from asking 'Who's to blame?' if and when things go wrong, to 'What set us up to fail?' and have seen grievance cases drop and idea-flow rise. In a retail banking organisation, one team began using a simple two-question monthly pulse to test the waters: 'Is it safe to raise a concern?' and 'Did someone act on it?' Over time, as a repeated action, this small signal created a culture of listening and responding.

Making It Real – From Idea to Practice

We've seen psychological safety shift from theoretical concept to catalyst when deeply embedded in the flow of real work, whatever that work is.

When we are using psychological safety to amplify a transformation, it wraps around all the work that gets done, working across the whole system: how leaders act and communicate, how governance is designed, what is measured, how metrics are discussed, how teams work together.

This is great if you are building a programme of change, or even an organisation from the ground up, but what about work that is already in flight? Can you change a wheel whilst the car is in motion?

The short answer is yes.

Changing one small thing can also be a catalyst for systematic change, especially when it comes to psychological safety. At one energy major that has introduced autonomous drilling, skeptical operators were paired with data scientists in 'squads' designed to shift mindsets and ways of working, and increase trust.

The results showed significant improvements - and more importantly, a shift in tone, from resistance to curiosity, which allowed ideas to flow. Initiatives like these can build momentum by being replicated in other areas, and amplified by the way they are communicated and celebrated.

Elsewhere, a payments team used blame-free retrospective sessions to air unspoken handover tensions, without judgement. As problems surfaced, and therefore became visible, they became solvable.

What We've Learned – Shifting the System Gently

There is no off-the-shelf programme for psychological safety, but certain patterns are worth highlighting. They may give ideas about where to start.

The organisations that make it work understand that **psychological safety starts with a story**. When a leader recounts a mistake and what it taught them, they signal that truth matters more than polish. It models vulnerability and paves the way for others to do the same. Use the start of all regular meetings to have a 'learning moment', starting with leadership and expanding to include everyone over time.

Middle managers make or break the culture.

Where managers are equipped with coaching skills and teams are given permission and time to pause and reflect, people begin to trust each other more deeply. This works even better when middle layers of management are given the autonomy to be creative about the actions they take to solve problems.

Because giving people a voice only works when those thoughts go somewhere, and something is done because of it. Speaking up needs to lead to action - visibly, consistently and promptly.

Embracing and using difference, rather than seeking consensus, is also immensely powerful. Humans are wired to avoid conflict, which often means we shy away from highlighting differences of view and opinion. This dissonance, however, can spark insight and clarity. By developing cross-functional forums, co-created spaces for diverse teams, and targeted culture squads focused on real organizational challenges, friction can be transformed into ideas, decisions, and ultimately, forward motion.

At our recent webinar; **Putting Humans At The Heart of your AI Transformation**, one participant put it succinctly:

'Psychological safety isn't a new toolset - it's learning a different way to work.'

[WATCH THE FULL
WEBINAR HERE](#)



Why You Should Care

Psychological safety is the perfect accelerator for transformation because:

- It creates **headroom for change**: if people fear ridicule or blame, they'll withhold bad news and fresh ideas, both of which create unnecessary barriers to releasing value.
- It **accelerates learning**: safe teams surface mistakes early, turning them into cheap lessons rather than costly failures.
- It **drives inclusion**: psychological safety enables diverse voices to cut through hierarchy and loud talkers, boosting collective intelligence and capability.

In our whitepaper, [Beyond Faster Horses: Strategies for Radical Transformation in the Age of AI](#), we talk about this in more detail, urging leaders to shift from a “know-it-all” to a “learn-it-all” stance, celebrating curiosity and “experimenting fearlessly” instead of punishing mis-steps.

By rewarding cross-team collaboration, openly sharing data, and celebrating ‘smart failures,’ frontline teams are empowered to surface problems without fear of blame. They're given the autonomy, information, and budget needed to act quickly on what they discover.

In short, transformation stalls when those conditions aren't met: agile teams without real authority become frustrated, and data-driven decisions face resistance if the culture doesn't back them.

From Knowing to Doing – Where to Start

Our best advice, from experience, is to simply start where you are, as with some of the examples shared earlier. Don't over-design, and don't force it too programmatically and linearly. Do one real thing in one real team: share a pulse survey, run a retrospective session, or let a leader tell the truth about a near-miss. Then show what you learned, what you're trying, and invite others to join in.

Psychological safety doesn't scale by decree, it grows in ever-increasing loops: feedback, follow-up, experimentation. Every brave question and honest answer add to the fabric of trust that lets transformation move, not in lurches, but in rhythms.

Final Word

Technology raises the ceiling on what's possible. Psychological safety strengthens the floor beneath our feet. Marry the two and change stops feeling like a gamble and starts behaving like compound interest. It's not about avoiding failure, it's about making space for fast learning, real dialogue, and bold steps forward. Psychological safety is the invisible foundation for transformation. Without a climate of trust, open challenge and low-consequence learning, experimentation and innovation won't stick.

The organisations that master this will deliver business outcomes at a pace others simply can't match. In a world where transformation cycles are measured in months, not years, we've seen psychological safety become the quiet infrastructure of progress.

About the authors



Helen Kewell is a Client Partner at Muuto, with over 25 years' experience in managing transformation across diverse industries and always through the human lens, driving behaviour and culture change as well as enabling new capabilities and mindsets. She is also a qualified and practising psychotherapist with a specialisation in the psychology of life transitions, and a published author on the same topic.

Verity Hart is a Project Manager at Muuto with expertise in complex business and technology-driven transformation. She is an expert in psychological safety and in building innovative cultural, change management and learning solutions to drive business outcomes.



References

Elizabeth Broderick & Co. (2022). Everyday Respect: Report into Workplace Culture at Rio Tinto. Retrieved from <https://www.riotinto.com/-/media/Content/Documents/Sustainability/People/RT-Everyday-respect-report.pdf>, CIO. (n.d.). Modernising BP's application landscape with AI. Retrieved from <https://www.cio.com/article/306559/modernising-bps-application-landscape-with-ai.html>, Muuto Consulting. (2024). Beyond Faster Horses. Internal client case study, Energy Sector, Muuto Consulting. (2025). AI & Psychological Safety Webinar Transcript – April 2025. Harvard Business Review. (2017). Creating a Culture Where Employees Feel Comfortable Speaking Up. Retrieved from <https://hbr.org/2017/05/creating-a-culture-where-employees-feel-comfortable-speaking-up>, IBCB@ 2021 Survey of bank culture Industry staff report IBCB-eist-2021-report-RS-060521_Final_ONLINE.pdf